PRIVATE DELEGATION OUTSIDE OF EXECUTIVE SUPERVISION

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ABSTRACT

Over the past decade, the Supreme Court has reworked the landscape of executive branch supervision. The Court has both addressed the scope of executive officials subject to the Constitution's selection constraints in the Appointments Clause and imposed limits on the tenure protections that Congress can bestow on senior agency officials. This refashioning retrenched the functionalist approach that had taken hold in the twentieth century and culminated in the Court's 1989 blessing of independent counsels with authority to investigate the Executive Branch from within.

One less-explored question is the degree to which federally prescribed tasks can be carried out by individuals other than government officials. In other words, to what extent can Congress authorize private actors to perform statutorily required components of governmental operations such as arbitration of disputes, creation of standards tied to governmental requirements, fact-gathering, or the performance of evaluations where the result leads to qualification or disqualification for a government service or benefit? Justice Alito raised this key question in a 2015 dispute involving Amtrak, when he questioned the constitutional basis for Amtrak to set metrics and standards governing passenger railroad services operating as a private actor. The question continues to plague government practice, as

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Congress at times prefers to employ private boards or commissions to set standards such as the quantity and type of routine pediatric services that health insurers must cover under the Affordable Care Act.

From the time of the establishment of the first Congress in 1789, the federal government has employed private actors for numerous tasks. Many of those responsibilities, however, involved the provision of contractual services such as measuring the quantities of imported goods, valuing imported items, constructing government buildings, or providing expertise such as autopsy analysis. In modern practice, private boards or arbitration panels have at times made decisions that ultimately bind the rights or obligations of private parties or that establish the substantive content for government mandates. Is there a meaningful, constitutional distinction between the early versus modern acts? What was the understanding at the time of early practice of the limits, if any, that should govern the types of tasks Congress assigned to private actors? Does the non-officer status of private actors free them from constitutional appointments and oaths constraints? Or is there an irreducible minimum of core governmental authority that cannot be delegated to private actors and that must instead be exercised by governmental actors subject to the Constitution's oath and appointments accountability mechanisms?

This Article will unpack some of those constitutional complexities by examining the early federal practice of delegating adjudicative patent determinations to private experts, which the Supreme Court briefly considered in its most recent review of executive direction of governmental determinations. Specifically, the position of the patent commissioner, first created by Congress in 1836, was bound by fact-findings of private expert panels when denying patent applications. The Court implicitly suggested last year, in United States v. Arthrex, *141 S. Ct. 1970, 1988 (2021), that this practice did not undermine the modern presidential supervisory structure that the Court went on to mandate for the contemporary patent office because the 1836 panels consisted of just private experts, not officers. What implications, if any, does such a view hold for the scope of power or duties that private actors can exercise outside of the control or supervision of the Constitution, the President, and any constitutional accountability mechanisms purportedly constraining power? Just three years after the*

1836 boards' creation, Congress went on to eliminate them and transfer their duties to a federal judge. But evidence suggests that policy considerations rather than constitutional concerns drove this development.

Although Congress and implicitly the Court apparently have concluded that the binding fact-finding authority of the early boards did not disrupt presidential executive supervision, the evidence suggests that this superficially significant power really was not viewed as constituting core sovereign authority. The Executive Branch today has signed off on far broader private delegation of a potentially constitutionally distinct character. This Article will uncover some of those distinctions and explore how the early view of permissible private delegation, implicitly endorsed by the Supreme Court in 2021, differs substantially from some of the private arbitration and other binding private power that Congress and the Executive Branch have normalized today. The constitutional concerns over too much private delegation raised by jurists such as Justice Alito merit further exploration and may call into question several current governmental practices.

INTRODUCTION

Over the past decade, the Supreme Court has reworked the landscape of executive branch supervision. The Court has both addressed the scope of executive officials subject to the Constitution's selection constraints in the Appointments Clause and imposed limits on the tenure protections that Congress can bestow on senior agency officials. This refashioning retrenched the functionalist approach that had taken hold in the twentieth century and culminated in the Court's 1988 blessing of independent counsels with authority to investigate the Executive Branch from within.[1]

The changed course began in the nation's highest court in 2010 when the Supreme Court found the supervisory personnel structure of the Public Company Accounting Oversight Board to be unconstitutional[2] in the form enacted by Congress in the 2002 Sarbanes-Oxley Act.[3] In particular, the Court concluded that Congress had unconstitutionally disrupted the vesting of the executive power in the President by providing significant tenure protections for the Board members who themselves were supervised by tenure–protected Securities and Exchange Commission commissioners.[4] The constitutional reexamination of congressionally crafted personnel structures had first begun several years earlier in the U.S. Court of Appeals for the D.C. Circuit, where newly confirmed then-Judge Brett Kavanaugh first found the Board tenure provisions to be unconstitutional.[5] A majority of the Supreme Court agreed. The Court's opinion, written by the Chief Justice, emphasized the double layer of tenure protections that ensconced powerful governmental positions, making it very challenging for the President to remove or influence the operations of the Board members and

1. *See* Morrison v. Olson, 487 U.S. 654 (1988).

2. Free Enter. Fund v. Pub. Co. Accounting Oversight Bd., 561 U.S. 477, 514 (2010).

3. Sarbanes-Oxley Act of 2002, Pub. L. No. 107-204, 116 Stat. 745 (2002).

4. *See Free Enter. Fund*, 561 U.S. at 514.

5. Free Enter. Fund v. Pub. Co. Accounting Oversight Bd., 537 F.3d 667, 687 (D.C. Cir. 2008) (Kavanaugh, J., dissenting).

interfering with his responsibility to "take Care" that any laws carried out by the Board members were faithfully executed.[6]

Since the recent appointments of Justice Kavanaugh and Justice Neil Gorsuch, the Supreme Court has twice more found certain congressionally enacted tenure provisions to improperly constrain presidential supervision of executive activity via the Article II Vesting Clause.[7] Justice Amy Coney Barrett joined the majority for the second of these two opinions after starting service on the Court in October 2020.

Writing for the Court in both *Seila Law v. Consumer Financial Protection Bureau*[8] and *Collins v. Yellen*,[9] the Chief Justice expounded on the structural constitutional problems with Congress imposing any limitations on presidential removal of the head of the Consumer Financial Protection Bureau ("CFPB")[10] and then the Federal Housing Finance Agency ("FHFA").[11] In both cases, Congress had designed the agencies to exercise significant regulatory power over aspects of the nation's financial systems. And in both cases, there was no easy way for the President to either command agency operations or remove agency directors in the event of policy disagreement. Because one individual exercises more concentrated power at the apex of these agencies than in the multimember commissions like the SEC and the Federal Trade Commission ("FTC"), where multiple commissioners must agree to set direction, the Court found the CFPB and FHFA tenure protections less tenable and more intrusive on the President's vested executive power.

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6. *See Free Enter. Fund*, 561 U.S. at 492.

7. Collins v. Yellen, 141 S. Ct. 1761, 1783 (2021); Seila Law LLC v. Consumer Fin. Prot. Bureau, 140 S. Ct. 2183, 2211 (2020); U.S. CONST. art. II, § 1 ("The executive power shall be vested in a President of the United States . . . .").

8. 140 S. Ct. 2183, 2211 (2020).

9. 141 S. Ct. 1761, 1783 (2021).

10. *Seila Law*, 140 S. Ct. at 2192.

11. *Collins*, 141 S. Ct. at 1770.

In those two cases, the Court arguably moved even further toward a unitary supervisory theory of the Constitution by finding unconstitutional statutory provisions related to agency heads rather than just a department sub-entity like the PCAOB. The Court again based its holdings on the Vesting Clause and the President's Take Care duties, concluding that power cannot be concentrated "in a unilateral actor insulated from Presidential control."[12]

In addition to challenging the removal structures of executive officials, litigants have also challenged the selection procedures for officials, on the front end, under the Appointments Clause within Article II of the Constitution. The Appointments Clause requires "officers of the United States" to be selected in one of only four different ways.[13] The default requirement is that officers be appointed by the President with Senate consent. Congress can provide that "inferior officers" be appointed in that manner or by the President alone, a department head, or a court of law.[14] Over the past several decades, on several occasions litigants have brought challenges on the ground either that an executive employee was not treated as any kind of officer or that an official was appointed as an "inferior officer" when his level of responsibility really amounted to more of a superior, or "principal," role.[15] Principal, non-inferior officers must be appointed by the President with Senate consent ("PAS"). Previously the Court has found that any officer who lacks a direct supervisor other than the President is a "principal," non-inferior officer.[16]

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12. *Id.* at 1773–75 (internal quotation marks omitted); *Seila Law*, 140 S. Ct. at 2191–92.

13. U.S. CONST. art. II, § 2, cl. 2.

14. *See id.* (capitalization adapted).

15. *See, e.g.*, Edmond v. United States, 520 U.S. 651 (1997); Freytag v. Commissioner, 501 U.S. 868 (1991) (inferior officer challenge related to tax adjudicators); Morrison v. Olson, 487 U.S. 654 (1988) (principal officer challenge related to the independent counsel statute). *See also* Gary Lawson, *Appointments and Illegal Adjudication: The America Invents Act Through a Constitutional Lens*, 26 GEO. MASON L. REV. 26 (2018) [hereinafter Lawson, *America Invents*].

16. *See Edmond*, 520 U.S. at 661–63.

The Court generally has treated Appointments Clause challenges as their own separate constitutional claim, noting that the Appointments Clause provided a mechanism for electoral accountability and transparency in the selection of officers because if the President or his top officials must publicly select executive officials, then the President clearly bears blame if the official subsequently poorly exercises her authority.[17] The text of the Appointments Clause does not expressly address presidential direction of the authority exercised by those officers once they are appointed.[18] But the Clause's requirements that the President or other senior officials appoint officers have been thought to implicitly mandate that the President must also have a measure of removal authority over his executive officers, which in turn provides for implicit supervisory authority over an officer's performance of executive tasks.[19] The Court also has repeatedly suggested that Article II, section 1's vesting of executive power in the President similarly requires that the President maintain supervisory authority over his subordinate officers through the ability to fire them.[20] In *Arthrex v. United States*, the Court began to explore whether the Vesting Clause also works in tandem with other Article II provisions like the Appointments Clause to further require that the President or his top lieutenants have the power to *direct* or reverse the actions of subordinates in

17. *See* United States v. Arthrex, 141 S. Ct. 1970 (2021); Buckley v. Valeo, 424 U.S. 1 (1976). *See also* Jennifer L. Mascott, *Who Are "Officers of the United States"?*, 70 STAN. L. REV. 443 (2018) [hereinafter Mascott, *Officers*].

18. *See* U.S. CONST. art. II, § 2, cl. 2.

19. *See, e.g.*, United States v. Perkins, 116 U.S. 483 (1886). *Cf.* United States v. Arthrex, 141 S. Ct. 1970, 1982 (2021) (discussing the role of the Appointments Clause in preserving "political accountability through direction and supervision of subordinates–in other words, through a chain of command" (internal quotation omitted)).

20. *See* Seila Law LLC v. Consumer Fin. Prot. Bureau, 140 S. Ct. 2183, 2191 (2020); Free Enterprise Fund v. Pub. Co. Accounting Oversight Bd., 561 U.S. 477, 492 (2010); Myers v. United States, 272 U.S. 52, 137–38 (1926).

addition to having the power to fire them.[21] The Court concluded that in at least a subset of circumstances, the vesting of executive power in the President necessitates that his principal officers have the final say in decisions issued by the executive branch.[22]

If the President must maintain ultimate command over executive branch authority, and if all governmental activity falls under the supervision of one of the three branches, then what kinds of actions can be taken outside of that supervisory control? As administrative agencies exercise increasing authority in the twenty-first century, the Court has begun taking a closer look at this question. The Court's opinions reexamining removal protections, the selection of officials under the Appointments Clause, and the direction of executive branch authority begin to explore the level of decisions that the President and his direct reports must more closely supervise.

In *Arthrex* in particular, the Court concluded that where appellate judges on the Patent Trial and Appeal Board ("PTAB") issue decisions through inter partes review of already-issued patents, the Director of the U.S. Patent and Trademark Office ("USPTO")—who is a presidential appointee subject to Senate consent (PAS)—must have supervisory authority to review those decisions before they are final within the Executive Branch.[23] The idea presumably was that an official one step removed from the President (as his direct appointee) must have the final say over the inter partes decisions

21. *See* United States v. Arthrex, 141 S. Ct. 1970, 1982 (2021) (noting that removal or reassignment of administrative patent judges away from inter partes decision panels is inadequate for executive supervision because it "gives the Director no means of countermanding the final decision already on the books"); Jennifer L. Mascott & John F. Duffy, *Executive Supervision After* Arthrex, 2021 SUP. CT. REV. 225 (2022).

22. *See Arthrex*, 141 S. Ct. at 1985–86 (limiting the holding to the context of adjudication and the proceeding before the Court).

23. *Arthrex*, 141 S. Ct. at 1985 ("Only an officer properly appointed to a principal office may issue a final decision binding the Executive Branch in the proceeding before us.").

for the Executive Branch.[24] But the Court did not deeply theorize its determination that adequate presidential supervision can be effectuated through PAS decision-making without direct presidential involvement but not by presidential appointees serving one more step down the chain. Indeed, under the facts of the case, the USPTO is nestled within the Commerce Department and the USPTO Director serves as an undersecretary subordinate to the U.S. Commerce Secretary.[25] If the Court's theory of supervision was one-step-removed presidential direction for actions, then the undersecretary's position would seem too attenuated for final say-so for the Executive Branch.

If the theory, on the other hand, is that the possibility of direct removal by the President is adequate to satisfy the exclusive vesting of executive power in the President, then final decisions by the USPTO Director with the rank of undersecretary would suffice. But the removal power generally follows the appointing power, so all presidential appointees—even inferior officers—are assumed removable by the President.[26] It is unclear, therefore, why the *Arthrex* opinion highlighted PAS status (or so-called "principal officer" status) as the touchstone for adequately supervised executive action as opposed to either direct presidential sign-off or the absence of any intervening link between the President and the decision-maker.[27]

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24. *See id.* at 1980–81 (discussing the constitutional shortcomings of the lack of review of inter partes decisions by a principal officer); *id.* at 1984 (discussing the "traditional rule that a principal officer, if not the President himself, makes the final decision on how to exercise executive power").

25. *See* 35 U.S.C. §§ 2, 3(a)(1).

26. *See* United States v. Perkins, 116 U.S. 483 (1886); U.S. CONST. art. II, § 2, cl. 2.

27. *See Arthrex*, 141 S. Ct. at 1976 (suggesting that the constitutional requirement is that the work of inferior officers be "directed and supervised" by a PAS appointee); *id.* at 1985 (highlighting again the need for "an officer properly appointed to a principal office" to be the actor issuing final binding decisions on behalf of the Executive Branch). *See also id.* at 2004–05 (Thomas, J., dissenting) (noting that the Appointments Clause makes no distinction between the category of power exercised by principal as opposed to inferior officers).

Although the opinion and the question presented in *Arthrex* referenced the Appointments Clause as the relevant constitutional constraint, the decision more generally suggested that the most acute problem with the patent office's structure was that the PTAB's inter partes authority was inconsistent with the constitutional requirement that sufficiently senior executive officials must direct and supervise executive action.[28] Such a requirement is not directly in the terms of the Appointments Clause, which addresses the selection of officials, but it inheres in the Article II Vesting Clause.[29]

Further, the Court's logic in the case would seem to apply to a vast array of additional executive actions, particularly given the inherent executive character of numerous significant governmental actions far beyond isolated adjudicative determinations within one executive agency.[30] But the Court carved out any non-adjudicative determinations from its decision that day,[31] leaving for the future the question whether all final executive branch actions by government officials, including inferior officers (and even employees), must be subject to presidential command and, if so, via what mechanism.

One less explored question is the degree to which actors entirely outside of the governmental, executive chain of command addressed in *Arthrex* can bear responsibility for federally prescribed tasks. In other words, to what extent can *private* actors perform statutorily required components of governmental operations such as arbitration of disputes, creation of standards tied to governmental

28. *See id.* at 1985–86 (majority opinion) (concluding that a principal officer must issue final inter partes decisions that bind the Executive Branch).

29. *See* U.S. CONST. art. II, § 1 ("The executive Power shall be vested in a President of the United States of America."). *See also Arthrex*, 141 S. Ct. at 1976 (citing the Vesting Clause and then identifying the Appointments Clause as the source of the authority for the President to obtain assistance in his duties by principal officers).

30. *See* Mascott & Duffy, *supra* note 21, at Part II.

31. *See Arthrex*, 141 S. Ct. at 1985–86 (walling off other categories of adjudication). *See also id.* at 1987 (plurality opinion) (noting that the suit concerned only petitions for inter partes review and not other types of PTAB adjudication).

requirements, fact-gathering, or performance of evaluations where the result leads to qualification or disqualification for a government service or benefit?

This Article will unpack the import of those questions and address the degree to which recent Supreme Court cases on the executive accountability constraints within the Appointments Clause and other Article II provisions may bear on them. Several years prior to the Court's holding in *Arthrex* unpacking the Appointments and Vesting Clauses in relation to "principal" versus inferior executive officers, the Supreme Court had reexamined the scope of the class of governmental actors who must receive appointment as either an "inferior" or non-inferior officer.[32] Applicable to "officers of the United States," the Appointments Clause requires that Congress establish such offices "by Law" and mandates that such officers be appointed using one of only four methods.[33] The Court in *Lucia v. Securities and Exchange Commission* concluded that federal officials exercising "significant authority" on an "ongoing" basis are such "officers."[34] The Court has described such a "continuing" position as one that transcends each unique officeholder, existing separate and apart from any particular person that fills it—in contrast to a contractual arrangement established just for the purpose of a discrete set of tasks and fulfillment by one particular entity.[35]

32. *See* Lucia v. SEC, 138 S. Ct. 2044 (2018).

33. U.S. CONST. art. II, § 2, cl. 2 ("[H]e shall nominate, and by and with the Advice and Consent of the Senate, shall appoint Ambassadors, other public Ministers and Consuls, Judges of the supreme Court, and all other Officers of the United States, whose Appointments are not herein otherwise provided for, and which shall be established by Law: but the Congress may by Law vest the Appointment of such inferior Officers, as they think proper, in the President alone, in the Courts of Law, or in the Heads of Departments.").

34. *Lucia*, 138 S. Ct. at 2052–53.

35. *See* United States v. Germaine, 99 U.S. 508, 511–12 (1879); United States v. Hartwell, 73 U.S. (6 Wall.) 385, 393 (1868). *See also* E. Garrett West, *Congressional Power over Office Creation*, 128 YALE L.J. 166, 220–22 (2018) (discussing the nineteenth-century cases).

What is not entirely clear after *Lucia*, or even *Arthrex*, is whether the "officer" elements are two cumulative requirements or essentially redundant: Are only those officials who both serve in ongoing positions and exercise "significant authority" subject to Appointments Clause requirements—and derivatively, the Oaths Clause and impeachment provisions that apply to federal officers? (If cumulative, this would mean that an individual exercising a level of responsibility that might otherwise constitute "significant authority" is exempt from constitutional officer constraints so long as the individual serves only intermittently or temporarily.) Or does the Court's formulation mean that "significant authority" can be appropriately exercised only by those officials who are in the constitutional category of "officers" and, thus, satisfy all of the requirements for that status such as serving in a continuing "office" subject to Article II accountability mechanisms?

It would be odd if the answer were the former. Taken to its logical end, the conclusion that an individual could exercise significant governmental authority free from Article II constraints so long as they served outside of an ongoing position could lead to severe results, potentially freeing from Article II constraint even the most impactful exercises of executive power, like federal prosecutions.[36] This possibility was envisioned by scholars Josh Blackman and Seth Barrett Tillman in relation to Special Counsel Robert Mueller.[37] As special counsel, Mueller served in a temporary role authorized by Justice Department regulations to spring into existence when the Attorney General deems a special counsel necessary to investigate potential criminal activity of a subject that might otherwise create a conflict of interest for the Department such as alleged criminal

36. *See* Heckler v. Chaney, 470 U.S. 821, 832 (1985); Buckley v. Valeo, 424 U.S. 1, 138 (1976); United States v. Nixon, 418 U.S. 683, 693 (1974) (designating prosecutions as exercises of executive functions.)

37. Seth Barrett Tillman & Josh Blackman, *Is Robert Mueller an 'Officer of the United States' or an 'Employee of the United States'?*, LAWFARE (July 23, 2018, 2:50 PM), https://www.lawfareblog.com/robert-mueller-officer-united-states-or-employee-united-states [https://perma.cc/L6QV-8Y34].

activity by a high-ranking government official.[38] The regulatory special counsel spot is not permanent. The special counsel spot would continue just as long as it takes to carry out the investigation within the jurisdiction established by the Attorney General ("AG"),[39] subject to potential AG termination for wrongdoing.[40] In writing about this noncontinuous position, Blackman and Tillman suggested that if a role's temporary nature character could free it from constitutional "officer" requirements, then even a powerful, albeit temporary, role like that carried out by a Department of Justice Special Counsel could be exercised free from any appointments requirements.[41]

There did not seem to be any serious question that the special counsel office constituted a governmental position, albeit a temporary one. But if the requirements for accountability under the Appointments Clause apply to exercises of "significant authority" *only when* they are carried out within the context of an ongoing position, then neither the Oaths Clause nor Appointments Clause requirements would limit either the actions of the special counsel or the departmental authority to create such a spot. In that case, the limited special counsel appointment would operate comparably to a private delegation, analogously subject to no independent constitutional constraint so long as the delegation of the duties themselves was appropriate. Such an outcome would seem surprising, at least under modern jurisprudence. Special counsels, although serving temporarily, have substantial power—of a kind considered

38. *See* 28 C.F.R. § 600.1.

39. 28 C.F.R. § 600.4.

40. *See* 28 CFR § 600.7(d) (providing that the Special Counsel may be removed from office "only by the personal action of the Attorney General" for "misconduct, dereliction of duty, incapacity, conflict of interest, or for other good cause, including violation of Departmental policies").

41. *See* Tillman & Blackman, *supra* note 37.

to be executive at least by the modern Court.[42] By regulation, special counsels have "authority to investigate and prosecute federal crimes committed in the course of, and with intent to interfere with, the Special Counsel's investigation, such as perjury, obstruction of justice, destruction of evidence, and intimidation of witnesses; and to conduct appeals . . . ."[43] This authority is not unlike that of the defunct, statutory independent counsel position that the Supreme Court concluded was an inferior office in *Morrison v. Olson*.[44]

The resolution of this puzzle might very well turn on one's interpretation of the Executive Vesting Clause and its relation to appointments.[45] If the Appointments Clause is the sole constitutional provision applicable to the supervision of government offices—and an individual must occupy an ongoing federal position with "significant authority" to fall under its requirements –- then private actors (or public actors with insufficient authority, or serving in non-ongoing positions) would be free from supervisory constraints under the Constitution. But if the Vesting Clause assigns the President inherent supervisory power of the Executive Branch as part of his exclusive vesting of the executive power, then perhaps no execution of sovereign governmental power is outside of Article II's hierarchical constraints—regardless of how Congress or other actors characterize or label a given position. This is certainly the position toward which the Court began to migrate in 2021 in *Arthrex*, where the Court suggested that both the Article II Vesting Clause and Appointments Clause speak to presidential direction of executive power. In finding that the USPTO Director must have power to review PTAB decisions in inter partes disputes, the Court made clear that the President, through his senior officers, must be able to

42. *See* Mascott & Duffy, *supra* note 21, at 231–32, 261–64 (discussing the Supreme Court's precedent characterizing prosecution as an executive function and exploring independent counsels and executive supervision after *Arthrex*).

43. 28 CFR § 600.4(a).

44. Morrison v. Olson, 487 U.S. 654, 691 (1988).

45. U.S. CONST. art. II, § 1 ("The executive Power shall be vested in a President of the United States of America.").

review, supervise, and direct their issuance before they stand as final decisions by the Executive Branch.[46] This point is made even more clearly by Justice Thomas in dissent, who succinctly characterized the Vesting Clause as dealing simply with "the vesting of executive power in the President."[47]

Under modern practice, our system has grown accustomed to lower-level functionaries, or employees, occupying governmental positions without Article II appointments.[48] But if the Appointments Clause (and Vesting Clause) do not cover governmental functionaries outside of those holding ongoing positions, then why would those constraints cover private actors exercising those same functions? And would that mean private actors can also serve in positions involving "significant authority" on behalf of the government free from constitutional constraint?[49]

Justice Alito hinted at these questions in his concurring opinion in *Department of Transportation v. Association of American Railroads*,[50] in which he questioned whether it was a violation of the Appointments Clause for arbitrators to develop binding standards that applied to train operations and challenged Amtrak's contention that it could promulgate codes without operating as a governmental actor. The arbitrators were private actors and, thus, had not taken an oath to support the Constitution or received government appointments in line with the constitutional Oaths and Appointments Clause requirements, which Justice Alito raised as a serious accountability concern.[51] Amtrak's role in jointly establishing minimum metrics for the quality of passenger train operations that

46. *See* United States v. Arthrex, 141 S. Ct. 1970, 1985 (2021).

47. *Id.* at 2005–06 (Thomas, J., dissenting).

48. See Mascott, *Officers*, *supra* note 17, at 464.

49. *Cf.* Constitutional Limitations on Federal Government Participation in Binding Arbitration, 19 Op. O.L.C. 208, at **9–10 (1995) (1995 WL 917140) (suggesting that private actors are outside the constraints of the Appointments Clause even if their duties would amount to an exercise of "significant authority) [hereinafter *Binding Arbitration*].

50. 575 U.S. 43 (2015).

51. *Id.* at 57 (Alito, J., concurring).

could subject entities to enforcement actions constituted a coercive exercise of authority that was essentially governmental in his view and should be subject to constitutional requirements for officers.[52]

Over the years the Court has not given much definitive consideration to precise limitations on delegations of authority to private actors—so-called private delegations. And the Court's recent decision in *Arthrex* has the potential to impact or inform any potential future analysis of the question in any event. The Court in *Arthrex*, more clearly perhaps than in past decisions,[53] relied on both the Vesting Clause and the Appointments Clause to reach its conclusion that administrative patent judges ("APJs") could not be the final word on a binding decision for the Executive Branch because as non-principal officers they could not exercise binding executive authority.

This more crystallized focus in *Arthrex* on the character of the authority itself rather than the precise identity of the actor exercising it is perhaps a game-changer on all manner of questions related to the force of electoral accountability via supervision over exercises of functions related to the Executive Branch. These questions include the proper role of private actors who carry out functions integral to executive action for the Executive Branch. Because if any final binding decision carrying out executive authority must be issued by a principal actor, then a mere technicality like the intermittent nature of an official's role or position cannot excuse the exercise of the authority by one not appointed as a principal officer. In other words, if an individual were to exercise final prosecutorial authority on behalf of the Executive Branch, the character of the authority would make it unconstitutional for the final action to be vested in someone other than a principal officer. It would not become constitutional simply because the prosecutor, or special or independent counsel, simply held a periodic or temporary position and therefore did not require a principal officer appointment. Further, the *Arthrex*

52. *See id.* at 57–60.

53. *See* Mascott & Duffy, *supra* note 21.

opinion more clearly connected appointments constraints with the Executive Vesting Clause than did other recent opinions addressing appointments challenges. The precise relationship between the Vesting Clause and the constitutional requirement of executive supervision over binding governmental acts also could inform the proper scope of any role for private actors in carrying out tasks for the government.

In *Arthrex*, the Court suggests that the role of a nineteenth-century board of examiners in reaching determinations that then bound the Senate-confirmed head of the Patent Office was consistent with the constitutional vision of executive authority that the Court sets forth in its opinion.[54] From 1836 to 1839, those constituted boards could issue determinations finding that an invention was patentable, on appeal from denials of patentability by the newly constituted office of Patent Commissioner. Those determinations then bound the Commissioner's future actions with respect to the patent application under review.[55]

After surveying the landscape of Appointments Clause doctrine in Part I, Part II of this article will delve into the history of the precise character of those examiners—whether they were hired private actors or some other kind of non-officer. Part III of the article then will explore just exactly what kind of decision, or action, the board was empowered to take with respect to patentability. Interpreted in its broadest, most surface-level form, the 1836 board arrangement appears to authorize the boards to make final patent decisions for the Executive Branch, despite the examiners' non-appointment by the President, which would have been required had they been exercising power with the character of principal officer authority under the *Arthrex* opinion. Although the relatively isolated, short-lived example of three years of practice under the new Patent Office

54. United States v. Arthrex, 141 S. Ct. 1970, 1984–86 (2021) (majority, then plurality, opinion).

55. *See infra* Part II.

fifty years after constitutional ratification is certainly not dispositive for constitutional meaning, the recently issued *Arthrex* opinion intimates that the arrangement was permissible—and, indeed, compatible with the Court's recent decision.[56] It is thus informative to examine the character of the boards' authority to identify an example from historical practice of exactly what kind of final determination issued by someone other than a principal executive officer is permissible under the current Court's view.

To explore the stakes of any potential Vesting Clause or Appointments Clause implications for the delegation of responsibilities to private actors, the Article will then briefly survey a few examples of the types of power that private actors have wielded as a matter of contemporary government practice.[57] Congress has authorized quite a few tasks for hired private actors, or contractors. What is the nature of some of the tasks? What is the theory behind the sense that these private roles are constitutional? And what, if anything, do the implications stemming from the *Arthrex* opinion have to do with it? The answer, notably, might differ based on one's theory of the interrelationship between the Appointments and the Vesting Clauses and the constitutional purposes of accountability underlying each clause.

The twenty-first century Court has emphasized the importance of all executive power reporting back up to the President in both its Appointments Clause and removal cases involving tenure protections for executive officers. The Court has also begun excavating the executive supervision and direction requirements embedded in the Executive Vesting Clause. How does the performance of functions, decision-making, or standard setting by private actors fit within the scope of those constraints, if at all? Electoral

56. *See Arthrex*, 141 S. Ct. at 1984–86 (majority, then plurality, opinion); see also *id.* at 2005–06 (Thomas, J., dissenting) (citing *Arthrex*, 141 S. Ct. 1984–85 (majority opinion)).

57. *See, e.g.*, *Binding Arbitration*, *supra* note 49, at **8–9 (discussing examples of private actors used for arbitration, regulatory functions, and adjudicative determinations along with earlier examples like the use of private actors to conduct appraisals of customs goods).

accountability is an important purpose of the Appointments Clause, and the scope of actions related to governmental authority that can be wielded by private actors outside of that accountability is a critical question on the horizon of the twenty-first century administrative state.

I. APPOINTMENTS CLAUSE DOCTRINAL LANDSCAPE

In June 2021 the Court issued a potentially seismic opinion finding the structure of supervision within the USPTO to be constitutionally inadequate.[58] The particular constitutional challenge before the Court was the claim that APJs function as "principal," or superior, non-inferior officers, and thus must be appointed by the President with Senate consent.[59]

The Court agreed, ultimately, that APJs have been exercising too much power in light of their inferior officer appointments by the Commerce Secretary, a mere department head. Yet in distinction to the Court's other contemporary, post-*Myers* opinions on removal, appointment and executive accountability, the Court declined to remedy the APJ structure by meddling with the tenure protections insulating APJs from disciplinary supervision.[60] Rather, the Court concluded that the head of the USPTO, the Director—a Senate-confirmed official—must be able to direct or oversee all APJ decisions for there to be adequate accountability and executive supervision.

For the first time in contemporary jurisprudence the Court relied on the Vesting Clause in combination with the Appointments Clause to conclude that executive accountability necessitates direction on the front end, rather than focusing heavily on the backend

58. *See Arthrex*, 141 S. Ct. 1970.

59. *See* U.S. CONST. art. II, § 2, cl. 2.

60. *Compare, e.g.*, *Arthrex*, 141 S. Ct. 1970, *with* Seila Law LLC v. Consumer Fin. Prot. Bureau, 140 S. Ct. 2183 (2020), *and* Free Enter. Fund v. Pub. Co. Accounting Oversight Bd., 561 U.S. 477 (2010). *See also* Intercollegiate Broadcasting System, Inc. v. Copyright Royalty Bd., 684 F.3d 1332 (D.C. Cir. 2012).

ability to fire wayward executive officials.[61] In other words, presidential supervision over the Executive Branch requires that the President have the ability, through his top officers, to direct executive branch action, not just remove or suspend those who fail to comply.

Curiously, although the *Arthrex* majority relied on historical practice to buttress this executive power vision, the history it cites contains a glaring inconsistency that the majority opinion obscures. More surprising, perhaps, than the notion that inferior officers could have the final say in executive branch determinations, Congress in 1836 authorized *private* actors to issue final factual determinations with legal consequence on appeal that bound the Commissioner of Patents.[62] This arrangement lasted until 1839, when Congress instead made patent denials immediately appealable, instead, to the chief judge in the District of Columbia acting in his district court capacity, after the Patent Commissioner objected that the private board appeals process was too time-consuming.[63]

This Article will explore the contours of the allocation of final executive branch determinations to intermittent private boards outside the formal governmental apparatus, and analyze the implications for the proper scope of private delegation. The existence of the 1836 boards of private experts suggests that Congress may have concluded that private actors could appropriately have charge over certain technical, mixed fact-law determinations regarding threshold patentability findings on obviousness and interference. That said, such exercises of private authority occurred only in the

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61. *See* Mascott & Duffy, *supra* note 21. *See also* Gary Lawson, *The Rise and Rise of the Administrative State*, 107 HARV. L. REV. 1231 (1994) (suggesting that the ability to instruct and direct is a necessary component of the Article II-vested executive power).

62. *See* 5 Stat. 117, 120 (1836).

63. *See* 5 Stat. 353 (1839); Act of Feb. 27, 1801, Section 3, ch. 15, 2 Stat. 103, 105–06 (circuit court); Act of Apr. 29, 1801, Section 24, ch. 31, 2 Stat. 156, 166 (district court functions). *See also* Theodore Voorhees, *The District of Columbia Courts: A Judicial Anomaly*, 29 CATH. U. L. REV. 917, 919–20 (1980) (describing the creation of a circuit court in the District of Columbia in 1801 and the subsequent congressional authorization for the chief judge to preside over a federal district court as well).

context of appeals of patent *denials*—they did not disrupt definitive *grants* of patents by the Patent Commissioner.

Decisions issued by the chief justice post-1839 suggest that his role simply descended from the 1836 boards and that he was not understood to have jurisdiction to review patents in a *judicial* capacity, but rather provided just a more efficient vehicle for review of the kind that the 1836 boards had provided.[64] In both cases, the 1839 chief justice and the 1836 review boards before him provided a more ministerial, or expert-driven, set of threshold findings that were not viewed as settling judicial rights regarding the award of the patent. The law at the time essentially permitted these decisionmakers just to conclude that certain threshold fact-bound mandatory qualifications for acquiring a patent had not been satisfied. The 1836 boards and chief justice acting in his specialized statutory limited review capacity did not have the power to strip away patents even in cases of interference, nor reverse a commissioner finding *in favor of* patentability. Congress had provided separately for judicial review of patent grants and denials.[65]

The 1836 boards of examiners made a cameo appearance in the briefing for the Court's renewed consideration of constitutional Appointments Clause requirements this year in *Arthrex*. The Court also acknowledged and opined briefly on the boards' existence in its opinion, albeit without a full acknowledgment of the board's nature and character. Private counsel for respondents had contended that the 1836 boards' ability to reverse certain patent commissioner findings provided historical precedent for contemporary APJs to issue final decisions without reversal despite their appointment

64. *See id.* at 354–55 (tying the chief justice's jurisdiction to the responsibilities that the 1836 boards had previously held).

65. *See, e.g.*, Section 11, 5 Stat. 353, 354–55 (1839) (providing for potential adjudication of certain contested issues by the chief justice of the U.S. District Court for the District of Columbia and then specifying "[t]hat no opinion or decision of the judge in any such case, shall preclude any person interested in favor or against the validity of any patent which has been or may hereafter, be granted, from the right to contest the same in any judicial court, in any action in which its validity may come in question").

status as non-principal officers. The Secretary of Commerce appoints APJs, a method of appointment that Article II of the Constitution permits only for "officers of the United States" other than "principal officers," whom the President must appoint subject to Senate consent.[66] Similarly, Congress had authorized the selection of members of the 1836 boards subject only to approval by the Secretary of State, the relevant department head at the time.[67]

But as this Article details further below, contextual statutory evidence suggests that the 1836 board participants were not governmental officers of any kind.[68] Rather, Congress had authorized the hiring of private experts to review certain factual commissioner determinations.

The conclusion that the board members held no governmental position despite their performance of paid services for the government not only derives from the statutory text but also reflects the stated understanding at the time of officials such as the patent commissioner. Therefore, the board provides no historical precedent for discerning the line between principal and inferior officer status. The existence of the board, however, does offer an historical example providing a glimpse of the understanding of the scope of tasks that Congress may constitutionally delegate to private actors, at least as of the mid-nineteenth century.

The use of private boards to resolve certain issues connected to the patent process was not a new phenomenon in 1836. In 1793 Congress had authorized the use of arbitrators to resolve certain threshold determinations necessary for acquisition of a patent. And in numerous other areas of the law, Congress had authorized the hiring of private actors and experts to perform services or reach factual legal determinations bearing on legal consequence as early as the eighteenth century. For example, as far back as 1789 Congress had authorized the selection of private actors to conduct services related

66. *See* U.S. CONST. art. II, § 2, cl. 2.
67. *See* 5 Stat. 117, 120 (1836).
68. *See infra* Part II.

to governmental determinations such as the weighing and measuring of goods on ships for purposes of assessing customs duties and the dissection of the corpses of convicted criminals by surgeons.[69]

In *Hartwell*, the Supreme Court provided a foundational definition for constitutional "officers of the United States," describing them as officials whose positions entail "tenure, duration, emolument, and duties."[70] These positions are in contrast to those of contractors who are hired only to perform particular services or whose positions are determined by the terms of the specific contract rather than based on the terms and scope of some kind of office or position that exists outside of that particular contractual agreement.

Then, in addition, starting from the first Congress, non-federal officers had involvement in carrying out tasks related to the implementation or enforcement of federal law. These were not necessarily private actors, but sometimes state law enforcement officers whose services the federal government incorporated into implementation of federal law. For example, section 33 of the Judiciary Act of 1789 had provided that state judges could arrest, imprison, or hold subject to bail individuals accused of a federal offense and subject to possible trial.[71] The Clinton Administration's Office of Legal Counsel ("OLC") opinion on arbitration and the Appointments Clause suggested that this was a delegation of power to state actors,[72] but it is unclear there was much of a delegation. The detention was to be at the expense of the federal government.[73] And federal district attorneys who were each to be "a meet person learned in the law" were to prosecute "all delinquents for crimes and

69. *See* Act of Aug. 4, 1790, ch. 35, 1 Stat. 145 (customs); Act of Apr. 30, 1790, ch. 9, 1 Stat. 112, 113 (section 4, surgeons). *See also* Mascott, *Officers*, *supra* note 17, at 523–27 (discussing examples).

70. United States v. Hartwell, 73 U.S. (6 Wall.) 385, 393 (1868). *See also* Auffmordt v. Hedden, 137 U.S. 310, 327 (1890); United States v. Maurice, 26 F. Cas. 1211 (C.C.D. Va. 1823) (Marshall, C.J., sitting circuit).

71. Judiciary Act of 1789, Section 33, 1 Stat. 73, 91 (1789).

72. *See Binding Arbitration*, *supra* note 49, at 212–14 & nn.7–8.

73. *See* Judiciary Act of 1789, Section 33, 1 Stat. 73, 91 (1789).

offences, cognizable under the authority of the United States, and all civil actions in which the United States shall be concerned, except before the supreme court in the district in which that court shall be holden."[74] In addition to the state officials having power to hold alleged federal offenders at federal expense, qui tam arrangements existed as early as the eighteenth century.[75]

Part of the motivation for this structure may have been the Founding-era skepticism about establishing large cadres of federal officers.[76] In the time leading up to ratification of the Constitution, Madison expressed his understanding that states could supply their own revenue payments to the federal government by use of state officers who would collect the revenue under state rules.[77] Sometimes these types of arrangements have been analyzed under the Appointments Clause, as if the relevant problem is that the state officer or other actor engaged in a task related to federal law should have simply been selected by one of the four appointments methods specified for officers in Article II. But that challenge is somewhat odd in form, particularly if it regards the exercise of authority by state actors. State actors already must take an oath to defend the federal Constitution,[78] but they do so in their capacity as state officials. So long as they are state officers, selected according to state procedures, it would be an impossibility for them to be appointed via a federal appointing authority such as the President or an executive department head. They are picked under state law and by an

74. *See* Judiciary Act of 1789, Section 35, 1 Stat. 73, 92 (1789).

75. *See* Lawrence Lessig & Cass R. Sunstein, *The President and the Administration*, 94 COLUM. L. REV. 1, 29 & n.89 (1994); NICHOLAS R. PARRILLO, AGAINST THE PROFIT MOTIVE: THE SALARY REVOLUTION IN AMERICAN GOVERNMENT, 1780-1940 (2013).

76. *See, e.g.*, The Federal Farmer, Anti-Federalist No. 76–77: An Anti-Federalist View of the Appointing Power Under the Constitution (Federal Farmer XIII) (1788), *in* THE ANTI-FEDERALIST PAPERS 293–94 (Bill Bailey ed., n.d.) (describing "the vast number of officers necessary to execute a national system in this extensive country" in an analysis of opposition to the draft Constitution).

77. *See* THE FEDERALIST No. 45, at 240 (James Madison) (George W. Carey & James McClellan eds., 2001). *See also* Mascott, *Officers*, *supra* note 17, at 502–03.

78. *See* U.S. CONST. art. VI, cl. 3.

official vested with state government appointing authority. More appropriately, the question in such cases is how much power to enforce or carry out federal law can be vested in a nonfederal actor—i.e., one who is not directly and exclusively accountable back to the supervision of the President of the United States, in whom is vested the entirety of *the* executive power of the United States.[79]

That same question arises in the delegation of power to private actors. If the President lacks command of individuals who do not directly report to him or—in the case of private actors—the individuals carrying out a task do not have to take a constitutional oath as part of their job, then what tasks related to governmental services and sovereign acts can such individuals perform? The issues might be somewhat distinct in that state officers at least take an oath to carry out the Constitution in their state officer role, whereas private actors lack a constitutional obligation to take any oath. But in both cases, the question is the extent to which power can be delegated to any actor whom the executive does not fully supervise.

Under the statutes enacted during the First Federal Congress, Congress authorized services to be performed by private actors in a variety of formats. A common pattern was the authorization of hired experts or contractors to perform tasks related to governmental acts. For example, boatmen were employed for transportation related to measuring and assessing customs duties.[80] And customs "inspectors, weighers, measurers and gaugers" could be employed by customs collectors to measure the quantity of goods on which the customs duties were to be assessed.[81] These individuals had very little discretion in the tasks they performed,[82] in part because

79. U.S. CONST. art. II, § 1.

80. Alexander Hamilton, U.S. Sec'y of the Treasury, List of Civil Officers of the United States, Except Judges, with Their Emoluments, for the Year Ending October 1, 1792 (1793), *in* 1 AMERICAN STATE PAPERS: MISCELLANEOUS 57 (Walter Lowrie & Walker S. Franklin eds., Washington, Gales & Seaton 1834).

81. Section 6, 1 Stat. 145, 154 (Act of Aug. 4, 1790); Section 53, 1 Stat. at 172.

82. Mascott, *Officers*, *supra* note 17, at 523.

of the detailed nature of the customs rates per unit of many distinct subcategories of goods that Congress had developed and imposed.[83] Mariners and boys were hired to work on revenue cutters—the First Federal Congress authorized revenue cutters involved in customs collection to utilize one master, several mates, several mariners, and two boys to collect the customs revenue.[84] This collection of officials was described within the authorizing statute as consisting of "officers, mariners and boys,"[85] suggesting that the mariners and boys were non-officers. Congress also authorized the President in 1791 to appoint at least three bank superintendents for the oversight of bank stock subscriptions.[86] It is noteworthy that even preconstitutional practice involved fairly generous use of hired-for-services individuals. For example, the preconstitutional Mint of the United States permitted the master coiner to "procure proper workmen" for coinage purposes.[87] Early American reports also indicate the use of revenue to pay for services such as the operation of printing presses and the construction of government buildings.[88] Surgeons were also used to perform autopsies.

That said, none of the acts carried out by these individuals seemed to rise to the level of an independent exercise of "delegated sovereign authority," a standard that the Executive Branch has previously used to describe governmental power.[89] This range of tasks performed by private actors in the eighteenth century, however, provides a comparison point for evaluating the breadth of tasks performed by private actors under modern practice such as the

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83. Jennifer Mascott, *Early Customs Laws and Delegation*, 87 GEO. WASH. L. REV. 1388 (2019) [hereinafter Mascott, *Customs Laws*].

84. Section 63, 1 Stat. at 175.

85. 1 Stat. 145, 175.

86. Act of Feb. 25, 1791, ch. 10, section 1, 1 Stat. 191, 191–92 (amended 1791).

87. *See* An Ordinance for the Establishment of the Mint of the United States of America, and for Regulating the Value and Alloy of Coin (1786), *in* 31 JOURNALS OF THE CONTINENTAL CONGRESS 876 (John C. Fitzpatrick ed., 1934) (emphasis omitted).

88. *See* 1 AMERICAN STATE PAPERS: FINANCE, 36, 86–87.

89. *See* Officers of the United States Within the Meaning of the Appointments Clause, 31 Op. O.L.C. 73, 78 (2007) [hereinafter *Officers of the U.S.*].

Amtrak standards-setters and arbitrators analyzed by Justice Alito in 2015.[90]

Were the late-1830s board assessments similar in kind? At a minimum the legal status of the board determinations—effectuating binding reversal of prior Patent Commissioner assessments—was of a somewhat different nature than the fact-bound customs measurements or private surgeon assessments. But these determinations arguably all had significant legal significance—constituting fact-bound determinations by experts on which Congress had determined by statute that certain administrative procedures would rely. In other words, by statute in each instance Congress had made the assessment that certain administrative assessments must incorporate objective determinations or findings by outside experts.[91] Such determinations ranged from technocratic assessments like measuring the quantity of a particular imported good—an objectively verifiable rote assessment—to more standards-based or moderately discretionary findings such as whether a particular invention was new. Nonetheless, even the 1836 patent board determinations on novelty were relatively technocratic—constituting a fact-based evaluation of the delta of novelty of a new invention against the backdrop of previously discovered patented inventions.[92] Moreover, the understanding of the legal import of the board decision was simply that the board could conclude the commissioner must reach a finding entitling an inventor to a prima facie

90. *See infra* Part IV.

91. *Cf. generally* JERRY MASHAW, CREATING THE ADMINISTRATIVE CONSTITUTION (2012) (discussing early administrative practice including adjudicative determinations by federal actors); Jerry L. Mashaw, *Recovering American Administrative Law: Federalist Foundations, 1787-1801*, 115 YALE L.J. 1256, 1279–80, 1293 (2006) (discussing the role of customs officials in assessing the value of goods and the consistency between the goods measured on the ship versus listed on the invoice as well as the discretion inherently present in the collection system).

92. *Cf.* Section 12, 5 Stat. 353, 355 (1839) (authorizing the *patent commissioner* to promulgate regulations governing the taking of evidence in contested patent proceedings).

patent. The questions of patentability then were ripe for further judicial determination, and challenge, in the courts.[93]

In contrast to the Court's quick dismissal of the historical practice of mid-nineteenth century extra-executive use of private experts for patent findings, contemporary executive branch officials have overread the import of historical examples of these types of expert determinations such as in the customs context. For example, in 1995, then-Assistant Attorney General of the Office Legal Counsel Walter Dellinger relied in part on early customs practice to reverse a longstanding executive branch position that the federal government could not subject executive power to the binding assessments of private arbitrators.[94] He contended, for example, that the historical practice of using outside appraisers to measure the value and quantity of goods for purposes of imposing customs duties meant that significant authority could be delegated to non-governmental actors outside of Appointments Clause requirements so long as the responsibility for those duties was intermittent and non-continuing.[95]

But even if one accepts that historical practice is relevant for contemporary constitutional meaning, does a past governmental practice of reliance on appraisers and scientific experts to make generally verifiable, objective determinations mean that Congress could authorize the delegation to private actors of any governmental duty so long as the duty is not continuous and ongoing? Even if delegation to private actors of arbitration determinations binding on the government or private parties is permissible, would that mean any decision with impact on the government or citizenry can be vested

93. *See* Section 12, 5 Stat. 117, 122 (1836).

94. *See Binding Arbitration*, *supra* note 49, at *1.

95. *See id.* at **5–6. *See also* United States v. Maurice, 26 F. Cas. 1211 (C.C. D. Va. 1823); United States v. Hartwell, 73 U.S. 385 (1868); United States v. Germaine, 99 U.S. 508 (1879); Auffmordt v. Hedden, 137 U.S. 310 (1890) (Supreme Court opinions and an opinion by Chief Justice Marshall riding circuit establishing that Article II offices subject to Appointments Clause requirements necessarily "embrace[] the ideas of tenure, duration, emolument, and duties").

in a private person so long as they are not in an ongoing governmental role? Surely there must be a line at which private delegation ceases to be permissible.[96] For example, constitutional functions vested exclusively in a certain governmental actor (such as the pardon power[97]) cannot be delegated.[98] What about regulatory findings or discretionary policy determinations? Or congressional or executive investigative tasks? This Article will explore these questions. Further, it will explore whether the standard for the constitutional exercise of power as a permanent governmental official outside of Appointments and Oaths Clause requirements differs from the line dividing exercises of sovereign authority necessarily performed by government officials from intermittent non-sovereign acts performable by private experts.

The Article ultimately posits that although as an original matter, any federal official with ongoing statutory duties was an "officer of the United States" subject to Appointments and Oaths Clause constraints,[99] individuals retaining their private capacity could be hired to perform services—even relatively substantial tasks—so long as

96. *Cf. Binding Arbitration*, *supra* note 49, at **7–12 (suggesting that there are limits on the kind of power the government can delegate to private actors but suggesting that those limits have nothing to do with the Appointments Clause constraints applicable to federal actors).

97. *See* U.S. CONST. art. II, § 2, cl. 1.

98. *See Binding Arbitration*, *supra* note 49, at *11 ("One important principle is that Congress may not vest itself, its members, or its agents with either executive power or judicial power . . . ." (internal quotation marks omitted)).

99. Mascott, *Officers*, *supra* note 17, at 546 (finding that the original meaning of Article II "Officers of the United States" encompassed even recordkeeping clerks who merely recorded certificates granted for the unloading of ships in the United States, among other records, so long as the clerk duties were authorized by statute and performed by a federal official in an ongoing position). *See also id.* at 454 (concluding that "the most likely original public meaning of 'officer' is one whom the government entrusts with ongoing responsibility to perform a statutory duty of any level of importance").

the performance of those tasks did not constitute a portion of the delegated sovereign authority of the United States.[100]

In the wake of the *Arthrex* decision, the USPTO Director now has direct review authority over thousands of patent determinations before the Office each year.[101] Under the Court's opinion, the Director has *discretion* whether to actively review each decision, so the detailed practical implications of *Arthrex* are not yet fully known. But in the event that this new structure proves to be unworkable or Congress concludes it is improperly distinct from the adjudicative structure it intended through enactment of the America Invents Act, Congress might find it worthwhile to evaluate whether any of the highly technical work of scientific patentability review could be delegated to experts outside the formal bounds of the patent office. The 1836 boards may provide precedent informing both the permissible extent, and confines, of such delegation as a constitutional matter.[102]

Reevaluation of the scope of permissible governmental delegation to hired private boards could also inform numerous additional administrative arrangements involving arbitration, standard-setting, and governmental certifications. The more constrained understanding of private delegation from that time period might further

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100. *Cf. Officers of the U.S.*, *supra* note 89, (concluding that Article II offices are "continuing" positions "to which is delegated by legal authority a portion of the sovereign powers of the federal government" and using this line to divide Article II officers from employees, in contrast to the line proposed in this Article between governmental and permissible non-governmental acts).

101. *See* United States v. Arthrex, 141 S. Ct. 1970, 1986 (2021) (empowering the Director of the USPTO to have the discretion to review any decision by the PTAB) (opinion of Roberts, C.J., joined by Alito, Kavanaugh, & Barrett, JJ., and Breyer, J., in the remedy). PATENT TRIAL & APP. BD., STANDARD OPERATING PROCEDURE 1 (REVISION 15), ASSIGNMENT OF JUDGES TO PANELS (noting the thousands of cases that the Director assigns each year to APJs, *available at* https://www.uspto.gov/sites/default/files/documents/SOP%201%20R15%20FINAL.pdf [https://perma.cc/UQ5U-6JJ3].

102. *Cf.* Dep't of Transp. v. Ass'n of Am. R.R., 575 U.S. 43, 58–62 (2015) (Alito, J., concurring) (discussing the constitutional difficulties with delegation of governmental authority to private actors and clearly walling off regulatory authority as not permissibly delegated).

reveal ways in which Congress and the contemporary Executive Branch have countenanced too much delegation of binding authority to actors outside of the presidential executive supervisory structure. The Court has spent significant time in recent years revisiting the hierarchy of executive department heads and their subordinate officers and staff, but might also need to reevaluate the optimal, and constitutional, contours of the numerous governmental-private power-sharing arrangements within the modern administrative state.

This Article is primarily descriptive. It takes a deep dive into aspects of the historical structure of one government office to provide a snapshot of early practice in relation to contemporary consideration of officer appointments, supervision, and delegation. It does not intend to provide a comprehensive originalist proof text of the definition of inferior or non-inferior officer or of the precise scope of duties considered to be inherently governmental or permissible for delegation or assignment to non-governmental actors. But reevaluation of the boundaries of sovereign authority that must be exercised consistent with the Constitution is a critical pursuit. The Article will explore what light the 1836 boards—and their elimination in 1839—shed on the understanding of that line and how the courts and the Executive Branch have demarcated sovereign authority since that time.

In particular, Part II details the structure of the 1836-authorized examination boards and the role that Congress authorized for these panels in relation to the Patent Commissioner's determinations. It will also describe the genesis of this type of three-member adjudicative body in the predecessor patent act of 1793 and proposals that were rejected prior to the enactment of the first federal patent law in 1790. This Part will excavate statutory structure, contemporaneous history, and case law to examine the understanding of actors at the time of the role of the 1836 review panels. The bodies were viewed as carrying out non-governmental duties. And judicial review of executive branch patent-related determinations was seen as

critical for finality in the grant of patents and resolution of priority determinations for multiple claims to patent rights for the same invention.

Part III addresses the historical understanding of the role of the 1836 boards of examiners and their 1839 replacement—review by a single judge in the D.C. federal court. Part IV briefly explores how the non-governmental actor determinations of empirical patent questions in the eighteenth and early nineteenth centuries might relate to questions still very alive today: the constitutionality, and propriety, of non-governmental actors reaching determinations that assist in, or inform, the performance of governmental functions. Perhaps it would be more accurate to think of the use of private actors in the hiring of contractors to perform certain supporting tasks, rather than the delegation of sovereign authority of any kind. Reexamination of the understanding of the proper use of non-governmental actors in government services from the founding of the patent office to today in this Article, and follow-up scholarship and consideration by the Supreme Court, would help to shed light on these critical questions.

II. *ARTHREX*'S HOLDING AND THE USE OF PRIVATE EXPERTS IN EARLY PATENT ADJUDICATIONS

The Supreme Court's June 2021 decision concluded that APJs have been unconstitutionally exercising power when they issue decisions stripping inventors of their patents without adequate executive branch supervision and review. As inferior officers, the Court found that APJs cannot issue final patent adjudication decisions without the possibility of reversal by a "principal" executive officer in an office subject to presidential appointment with Senate consent. Consequently, the Court held that the USPTO Director must have the ability to reverse decisions by APJ panels before they are subject to judicial review. APJs cannot have the final say for the Executive Branch.

The Court reasoned in part that this holding was consistent with uniform historical executive branch patent practice, suggesting that until 2011, when Congress expanded the power of the patent office through inter partes review by APJ panels,[103] the head of the patent office had always maintained ultimate control over its decisions. The Court found this meaningful because the USPTO Director is a Senate-confirmed presidential appointee and thus operates as a "principal" officer. The Constitution's vesting of executive power in the President through Article II necessitates that officials closely accountable to him, such as principal (or non-inferior) officers, must have the final say in exercises of executive power. The Appointments Clause within Article II, further, requires that officials qualifying as "officers of the United States" must be appointed by the President with Senate consent, unless those officers carry out just "inferior" roles, in which case Congress can authorize their appointment by the president alone, an executive department head, or a court of law.[104]

But the Court's discussion of the relevant historical practice quickly glossed over an apparently significant aberration in past practice of patent office supervisory review. From 1836 to 1839, Congress had authorized three-member boards of examiners to consider appeals of decisions by the Commissioner of Patents. Findings of these boards were determinative, and binding, on the Commissioner in his subsequent evaluation of the covered patent disputes. For example, the boards could reverse the 1836 Patent Commissioner's conclusions that an invention was insufficiently novel to warrant a patent or that an invention duplicated, or interfered with, an invention already submitted to the patent office. These board members were selected for their roles with the approval of the Secretary of State, a department head, not by the President. How could the *Arthrex* majority conclude, then, that the

103. *See* America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 (2011).
104. U.S. CONST. art. II, § 2, cl. 2.

issuance of binding determinations by these non-Senate-confirmed officials was consistent with its holding that only principal officers[105] may have the final, determinative executive branch say in adjudication of patent disputes?

This historical practice is notable because the very first statute creating a formal standalone patent office established the arrangement. But the Court glosses over it by characterizing the board members as non-officers and, thus, irrelevant to its principal versus inferior officer analysis. Specifically, the Court noted that the Board members had just intermittent, non-continuing, roles so they failed to check one of the boxes of Article II officer status under the Court's jurisprudence.[106] Therefore, the board members were not occupying either principal or inferior offices and the *Arthrex* majority assessed their existence as irrelevant to its analysis of the role of modern APJs who, in contrast, serve in ongoing roles.

This general discussion by the *Arthrex* majority did not meaningfully assess the significance of the 1836 board determinations. Instead it generally stated that prior to 2011, the head of the patent office had always had supervision over final patent adjudicative determinations. This omitted any deep analysis of where the members of the 1836 examination boards in fact were situated within the constitutional structure even if they were intermittent entities or private actors. And the general statement that prior to 2011, the head of the patent office always had the final say over patent determinations appears to be objectively false, particularly in light of a patent review structure that the Court's *Arthrex* opinion fails to

105. The act of appointment by the President with Senate consent ("PAS appointment") does not necessarily make an official a principal officer. The Constitution prescribes this procedure as the default requisite method of appointment for both non-inferior and inferior officers of the United States. *See* U.S. CONST. art. II, § 2, cl. 2. But PAS appointment is constitutionally required for non-inferior officers. In other words, PAS appointment is a necessary, but not sufficient, condition for any officer exercising power that rises to the level of principal, or non-inferior, officer status.

106. *See, e.g.*, Lucia v. SEC, 138 S. Ct. 2044 (2018) (concluding that an individual is an "officer of the United States" only if he both occupies an ongoing position and exercises "significant authority").

reference in any way. In 1839, just three years after the creation of the three-member hired boards, Congress replaced the review by the boards with review by the Chief Justice of the district court in the District of Columbia. Opinions issued by the Chief Justice sitting in that capacity, discussed in detail in Part III of this Article, demonstrate that the judge thought of himself as an appendage of the executive branch's review of patent applications. The judge issued factual determinations that subsequently bound the Commissioner. So while a patent did not issue without the Commissioner taking action, the 1839 judge (and perhaps, even to a degree, the 1836 boards) could issue determinations that essentially necessitated the grant of a patent by the Commissioner.

It is hard to see the daylight between the absence of commissioner reversal authority over the judge and board decisions and the lack of Director review authority over PTAB decisions prior to *Arthrex*, at least in form. The Commissioner could not reverse the 1836 and 1839 appellate determinations. So it seems incomplete at best for the *Arthrex* majority to have described the patent office head as the complete, final authority for patent decisions pre-2011 without at least acknowledging the place of the 1839 single-judge review structure. Unless the nature of those 1839 appellate review determinations was significantly different in kind than the inter partes decisions issued by the PTAB pre-2021, then there may be a constitutional discrepancy between the *Arthrex* ruling and mid-nineteenth century patent office practice as instituted by Congress. It would not be the first time that Congress had made a constitutional mistake in the patent review structure that it authorized.[107] But close examination of the role played by the 1836 and 1839 board and judge review of Commissioner determinations suggest that the review was limited in meaningful ways. And this analysis might in turn be instructive for identifying the distinction between

107. *See* John F. Duffy, *Are Administrative Patent Judges Unconstitutional?*, 2007 PATENTLY-O PATENT L.J. 21, http://www.patentlyo.com/lawjournal/2007/07/areadministrat.html [https://perma.cc/KD76-HEXA].

permissible exercises of authority by private actors and unconstitutional delegations that stray into the territory of an exercise of sovereign authority.[108]

Under the modern statutory scheme, the PTAB within the USPTO issues decisions on appeal via multi-member panels consisting of the USPTO Director and a group of APJs, subject to no further higher-level review within the agency. Even where an initial board decision is subject to reevaluation, the mechanism for reconsideration is adjudicative review by a second panel consisting of the Director and multiple APJs (a rehearing panel).[109] The decision is not reviewed by the Director, the functional agency head. Distinct from most other administrative agency adjudicative systems,[110] there is no mechanism for plenary agency head review of final board determinations; the statutory scheme as originally interpreted and applied left no room for potential reversal of a final PTAB decision, at least not outside of challenge in an Article III court.[111]

In 2011, Congress significantly expanded the power of the patent office—authorizing it to reach executive branch determinations not only on whether an invention merits a patent or improperly infringes on an already-granted patent, but also on whether a patent has been improperly granted in the first place.[112] This inter partes review authority essentially enables the patent office to strip an individual of a patent he owns—a determination that then receives deference when challenged in an Article III court. In 2018, a split Supreme Court found this to be a proper exercise of executive

108. *Cf. Officers of the U.S.*, *supra* note 89 (discussing delegated sovereign authority and the constitutional requirement that it be exercised only by Article II-appointed "officers of the United States").

109. *See* 35 U.S.C. § 6(c).

110. *See* Christopher J. Walker & Melissa F. Wasserman, *The New World of Agency Adjudication*, 107 CAL. L. REV. 141 (2019) (analyzing agency adjudicative structures and identifying the PTAB as sui generis).

111. *See* Jennifer L. Mascott, *Constitutionally Conforming Agency Adjudication*, 2 LOYOLA J. REGUL. COMPLIANCE 22 (2017) [hereinafter Mascott, *Constitutionally Conforming Agency Adjudication*].

112. *See* America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 (2011).

authority, rather than a private rights determination on a property interest that must first be heard in Article III court.[113] Litigants in *Arthrex* then challenged inter partes review, instead, on the ground that APJs exercise so much final authority without executive branch review that it constitutes an Appointments Clause violation.

The USPTO Director is appointed by the President with Senate consent,[114] thus in the default constitutional mode appropriate for any officer, even those who oversee inferior officers.[115] The Secretary (or head) of the Commerce Department appoints APJs. The challenger in *Arthrex* had contended this arrangement was unconstitutional, as APJs participate as majority members on PTAB panels issuing reconsideration decisions subject to no further possibility of executive branch review and such decisions are not "inferior." In the challenger's view, given the absence of review of collective APJ determinations and the USPTO Director's inability to fire wayward APJs at will, APJs lack meaningful supervision and therefore cannot be "inferior officers" within constitutional terms.

The U.S. Court of Appeals for the Federal Circuit, surprisingly to many, agreed. In October 2019, the Federal Circuit held that APJs constitutionally function as "principal officers"[116] under their

113. *See* Oil States Energy Servs., LLC v. Greene's Energy Grp., LLC, 138 S. Ct. 1365, 1379 (2018).

114. 35 U.S.C. § 3(a)(1).

115. *See* U.S. CONST. art. II, § 2, cl. 2 (requiring the President to "nominate, and by and with the Advice and Consent of the Senate, . . . appoint . . . all other Officers of the United States, whose Appointments are not herein otherwise provided for . . . but the Congress may by Law vest the Appointment of . . . inferior Officers, as they think proper, in the President alone, in the Courts of Law, or in the Heads of Departments").

116. The term "principal officer" is the moniker that the Supreme Court has designated for officers who fall outside of the subordinate "inferior officer" class in Article II. *See* Edmond v. United States, 520 U.S. 651, 659–60 (1997); Free Enter. Fund v. Pub. Co. Accounting Oversight Bd., 561 U.S. 477, 483–84 (2010); Morrison v. Olson, 487 U.S. 654, 670 (1988). All non-inferior "officers" must be appointed by the President with Senate consent. But the Appointments Clause never labels such officers as "principal." It does not expressly name the class of non-*inferior* officers at all, other than to generally

current statutory structure because they are not subject to constitutionally adequate supervision.[117] Rather than suggest that the Director must receive additional authority to unilaterally review, and reverse, APJ panel decisions, thereby serving as the exclusive last word within the executive entity of the USPTO, the Federal Circuit severed APJ tenure protections from the statutory scheme as unconstitutional. The Federal Circuit concluded that at-will removal authority would give the Director direct control over APJ decisions through the threat of firing—thereby making the APJs truly "inferior" actors within the USPTO.

This decision did not stand without a fight. In 2020, the private parties and the government filed petitions for en banc review. The government believed that the executive should be able to have close supervisory authority to direct APJs in their duties, but believed such direction is possible through the statutory tenure provision permitting discipline for "cause." Several Federal Circuit judges debated among themselves in warring opinions on the en banc decision about whether the current structure of APJs' inter partes review is optimal as a legislative policy matter or unconstitutional.[118] The stakes for APJ accountability have only intensified over recent years, as APJs have received jurisdiction to review more patent

describe "Officers of the United States" and clarify the default rule that all appointees must be subject to presidential appointment and Senate consent. The 1788 Constitution uses the phrase "principal officer" in only one instance—to describe the presidential power to require written opinions from his own team. *See* U.S. CONST. art. II, § 2, cl. 1. Some scholars—such as Gary Lawson, who has analyzed the proper dividing line between non-inferior and inferior officers as a matter of first principles—suggest instead that non-inferior officers be labeled "superior officers," which is more accurately descriptive of their role within the constitutional structure. *See* Steven G. Calabresi & Gary Lawson, *Why Robert Mueller's Appointment as Special Counsel Was Unlawful*, 95 NOTRE DAME L. REV. 87, 98 n.51 (2019); Lawson, *America Invents*, *supra* note 15.

117. Arthrex, Inc. v. Smith & Nephew, Inc., 941 F.3d 1320, 1335 (Fed. Cir. 2019).

118. *See generally* Arthrex, Inc. v. Smith & Nephew, Inc., 953 F.3d 760 (Fed. Cir. 2020) (denial of rehearing en banc).

determinations—including the authority to strip a previously granted patent.[119] But the court denied en banc review.

The June 2021 decision by the Supreme Court aligned with the Federal Circuit's determination that APJs had been exercising power without adequate supervision. But rather than revisit APJ tenure protections, a majority of the Justices concluded the best way to remedy the constitutional violation was to address the ability of the USPTO Director to reverse APJ decisions. In the Court's view, if the Director can reverse or affirm patent office decisions, then inferior officer APJs no longer improperly exercise final decision-making authority for the Executive Branch.

APJs are nested within three layers of executive officials. The President appoints and supervises the Commerce Secretary, who in turn appoints the USPTO Director, who in turn at least nominally heads the office within which APJs serve.[120] If each step in this chain involves supervision, the APJs would be comfortably three rungs in. The APJs themselves are appointed by the Commerce Secretary,[121] which would be constitutionally inadequate if they indeed operate as inferior officers.[122] The core conclusion of the majority in *Arthrex* is that operation as an inferior officer precludes APJs from having the final say for the Executive Branch. Therefore, the Director must have the authority to step in and reverse any decision issued by the PTAB that he concludes is inappropriate. To bring about this arrangement, the Court concluded that the statutory provisions permitting review of APJ panel decisions only through panel reconsideration are unenforceable. In the Court's

119. *Cf.* Oil States Energy Servs., LLC v. Greene's Energy Grp., LLC, 138 S. Ct. 1365 (2018) (holding that the patent office can review determinations stripping patent rights); Mascott, *Constitutionally Conforming Agency Adjudication*, *supra* note 111 (discussing the potentially intractable due process problem of giving more elected presidential control to adjudicators outside of the Article III context when the deprivation of private property is at stake).

120. *See* 35 U.S.C. § 3(a)(1).

121. *See* 35 U.S.C. § 6(a).

122. *See* U.S. CONST. art. II, § 2, cl. 2.

determination, the USPTO Director must have the authority to reconsider and reverse those decisions. Rather than sever any provisions in the statute like the Court sometimes does to remedy constitutional violations, the Court in *Arthrex* found that 35 U.S.C. § 3(a)(1) already vests plenary authority for all patent office responsibilities in the Director.[123] Therefore, so long as the explicit limitations on Director review authority of inter partes decisions are considered unenforceable, the Director already has all of the power necessary for constitutional review within the enacted statutory scheme. The Court concluded that so long as the Director functionally can operate with the power to review and revise or reissue APJ decisions, then a sufficiently senior executive official, closely accountable to the President, is able to oversee executive action on the President's behalf.[124]

123. Cf. 35 U.S.C. § 3(a)(1) ("The powers and duties of the United States Patent and Trademark Office shall be vested in an Under Secretary of Commerce for Intellectual Property . . . .").

124. The Court did not explicitly address the constitutional status of the USPTO Director. The Director himself is appointed by the President with Senate consent, so the method of his appointment would be constitutional whether he has authority to exercise the power of an inferior or principal officer. The Court suggested that the Director, thus, is sufficiently high-level in the Executive Branch that he can properly oversee all final patent decisions. But the Court did not theorize that conclusion. Although the Director is directly appointed by the President, he is under the Commerce Secretary in the chain of command. So if presidential executive accountability comes through the President's ability to direct, the Director is in a better position than the APJs who have tenure protections and are three layers down. But the Director still is two layers within the executive branch hierarchy, and it is unclear what kind of say, if any, the Commerce Secretary has over the Director's decisions or whether the President directly oversees the Director's activity. Therefore, it is not immediately clear just how direct the President's control is over even the Director's actions. And it would be strange to think that the new hierarchy post-*Arthrex* is better, simply because the Director is a PAS appointee. Presidential appointment with Senate consent does not itself bring any additional presidential supervisory control to the appointee's actions once confirmed, at least not any more than would be present if the appointee were an inferior officer selected by the president alone or one of his department heads. Indeed, PAS appointment diminishes executive branch control, in a sense, by giving the Senate a role in the officer selection.

If the modern USPTO Director must have power to revisit APJ decisions, how could the 1836 boards issue determinations that bound the then-head of the office, the Commissioner of Patents? Here is what is at stake relevant to the executive branch hierarchy, whether the power is one exercised by today's APJs or power exercised outside the formal governmental staffing structure by hired experts. The Appointments Clause is a safeguard ensuring that actors exercising the governmental power of officers of the United States are appointed in certain ways to maintain transparency and accountability in the selection of those carrying out executive power. Although the majority in *Arthrex* dismissed any Appointments Clause concern with the 1836 board after determining its members held only intermittent roles and thus were more like hired contractors than officers, the question remains whether the particular tasks conducted by those board members—or indeed by any private actors—are tasks that only constitutionally accountable officers may perform. In other words, even if an actor does not hold a continuing office and, thus, definitionally does not occupy an office, are there any additional constraints—either embedded within the Appointments Clause protections or the general vesting of executive power in the President alone—that forbid those private non-officers from carrying out certain duties involving sovereign tasks? Perhaps the performance of only intermittent tasks for the government not only robs the actor of the status of an Article II officer, but also fixes a constitutional ceiling on the kinds of tasks the actor may perform on the government's behalf.[125]

In the mid-nineteenth century, the Court on multiple occasions concluded that hired contractors performing non-governmental technical services, like medical exams, landscaping, and the measurement and evaluation of imported goods for customs purposes,

125. *See* Lucia v. SEC, 138 S. Ct. 2044, 2051–52 (2018).

performed non-officer tasks.[126] But was that simply because those individuals were hired on an intermittent basis to fulfill a contract and thus did not check all the boxes for officer status?[127] Or was there also something fundamentally different about the character of the tasks they performed?

Parts III and IV of this Article explore that question, based in part on the 1836 practice in the patent office and the analysis by courts and the Executive Branch of the proper contours of delegation of tasks to private actors starting from the early nineteenth century. In evaluating whether certain tasks involve uniquely sovereign acts such that they cannot be tasked to private actors, the Article will also address whether the Appointments Clause or, more fundamentally, the Article II Vesting Clause, necessitates restricting the performance of certain tasks just to properly appointed governmental actors. The Constitution includes an Oaths Clause requiring all officers to swear fidelity to constitutional principles. And the first statute enacted by the First Congress instated an oath requirement for federal officers. Implicitly those requirements suggest that actors performing governmental tasks must swear allegiance to constitutional principles and be subject to accountability.[128] Can such accountability apply to private actors hired merely for occasional services?

The Court's opinion in *Arthrex* is consistent with this inquiry and refocuses constitutional analysis about proper executive branch supervision on the extent to which senior executive officers, and ultimately the President, have control over the exercise of executive power on the front end. In contemporary cases evaluating

126. *See, e.g.*, Burnap v. United States, 252 U.S. 512, 519–20 (1920) (landscape architect not an officer); United States v. Germaine, 99 U.S. 508, 511 (1879) (surgeon); United States v. Hartwell, 73 U.S. 385 (1868); United States v. Maurice, 26 F. Cas. 1211 (C.C.D. Va. 1823).

127. *See, e.g.*, *Lucia*, 138 S. Ct. 2044, 2052 (discussing the ongoing nature of officer positions); *see also Officers of the U.S.*, *supra* note 89.

128. *Cf.* U.S. Dep't of Transp. v. Ass'n of Am. R.R., 575 U.S. 43, 57–58 (2015) (Alito, J., concurring).

executive supervision post-*Myers v. United States*, the Court up until Arthrex had underscored the power of the threat of *removal* as a mechanism for supervision. For example, in evaluating whether inferior officers are adequately supervised, the Court suggested in cases like *Free Enterprise Fund v. Public Company Accounting Oversight Board* that a surplus of authority in lower-level officials could be addressed by the severance of tenure protections for those officials, transforming them into removable-at-will officials.[129]

In 1836, Congress enacted legislation creating the first formal patent office.[130] Evidence indicates that the 1836 boards operated as nongovernmental boards of experts,[131] thus performing no instructive work for the precise question on which the Court had granted certiorari in *Arthrex*—whether the APJs needed to be appointed as principal (rather than inferior) officers. But the 1836 precedent provides an intriguing window into an even more fraught and unsettled debate within constitutional jurisprudence—the extent of

129. 561 U.S. 477 (2010). The statutory removal limitations that the Court found incompatible with "inferior officer" status were the stipulation that Board members could be fired for only "willful violations" of securities laws, "willful abuse of authority," or unreasonable failure to enforce compliance." *Id.* at 503. Only after concluding that those removal limitations were unconstitutionally constraining on the President's ultimate executive supervisory authority did the Court determine that the Board members were subject to sufficient supervision to constitute "inferior officers" susceptible to appointment by an executive branch department head.

130. Previously the Secretary of State had overseen significant portions of the patent-granting process. This was inefficient, and the 1836 Act created a separate patent office hierarchically within the State Department along with the formal position of Commissioner of Patents. The Secretary of State still had a role in providing sign-off on aspects of patent practice such as the selection of individuals to serve on the 1836 boards. But the authority to reach determinations on patentability was allocated by statute to the patent commissioner, with no explicit lingering role for the Secretary of State.

131. Significant evidence from the history of predecessor patent statutes, the practice of selection of the three-adjudicator 1836 panel members, and judicial opinions and other statements around the time suggests that the panel members operated as hired experts rather than as governmental actors. They did not serve in the ongoing, continuous positions that historically constituted "offices" or other governmental positions of any kind. *See infra* Part II.

governmental power, if any, that can be delegated to private boards, arbitrators, self-regulators, and external commissions.

For those who turn to historical practice as relevant evidence of the longstanding understanding of constitutionally permissible practices,[132] the structure and functions of the 1836 office along with its progenitors in 1789 – 90 and 1793 provide rich insight. Surprisingly, and in apparent tension with the *Arthrex* Court's assertion that the head of the patent office had charge over final patent determinations until 2011, the 1793 Congress authorized arbitration panels to reach final patent adjudicative determinations for the Executive Branch, and the 1836 Congress authorized boards of private, hired experts to issue determinations—irreversible within the Executive Branch—capable of reversing initial findings by the Commissioner of Patents. Those cases are distinct from the inter partes power given to the APJ panels under review in *Arthrex*, in the sense that those private expert determinations were pre-patent. They addressed patent denials; they did not have the power to issue determinations stripping inventors of previously granted patent property rights, unlike the modern APJs. But they call into question the *Arthrex* Court's general statement that the head of the patent office has always overseen all final adjudicative patent determinations. And analysis of the distinctions between the historic use of private actors to reach final determinations binding on executive officials, versus the inter partes decisions found unconstitutional by the Arthrex Court, provides valuable insight about the constitutional contours of the use of private actors to conduct tasks for the government.

This analysis is not necessarily intended to apply a pure originalist methodology or ordinary meaning interpretive approach and offers just a partial explanation of relevant constitutional principles governing exercises of authority in the issuance of patents. But it

132. *See, e.g.*, District of Columbia v. Heller, 554 U.S. 570 (2008) (relying on history to interpret the Second Amendment); NLRB v. Noel Canning, 570 U.S. 513 (2014) (recess appointments).

sheds light on the historical moors of contemporary patent practice and offers an intriguing comparative point from which to assess the breadth of executive authority claimed in twenty-first century patent practice. It also provides insight into historical understanding of the permissibility of using private actors to carry out tasks related to governmental functions and whether there were limitations on such use.

In 1836, as now, multi-member panels reached relevant adjudicative determinations as part of the process of evaluating patent applications. But the content, and significance, of those determinations differed significantly from contemporary patent practice under the expansive America Invents Act of 2011.[133] And the early nineteenth-century adjudications did not encompass the specific categories of patent determinations that have prompted the key patent-related constitutional challenges over the past decade. For example, both *Oil States* and *Arthrex* involved appeals from inter partes review proceedings, in which third parties challenge the validity of previously granted patent rights.

What might be surprising, and is apparently little-examined from a constitutional theory perspective, is the congressional delegation of aspects of those determinations to outside actors starting as early as 1793.[134] Non-governmental experts reached fact-based

133. Pub. L. No. 112-29 (codified at 35 U.S.C. § 1 et seq.), 125 Stat. 284 (2011).

134. Yale Law Professor Jerry Mashaw has descriptively discussed the three-member patent board under the 1790 Act as an example from the First Federal Congress of an "independent commission" and has written magisterial compilations of the variety and breadth of early administrative agency practice. *See, e.g.*, *supra* note 91. He acknowledges that the patent-granting commission of 1790, however, operated very differently from twentieth-century commissions in that it consisted of governmental actors already holding preexisting offices and, thus, already subject to a preexisting accountability structure for the performance of their duties. *See* 1 Stat. 109 (constituting a board composed of the Secretary of State, the Secretary of War, and the Attorney General). His early work focuses on identifying the range of administrative agency activity during historical practice rather than focusing on either potential Appointments Clause implications or providing in-depth assessment of constitutional delegation implications for

determinations relevant to patent validity, sometimes issuing determinations that were nonreviewable within the Executive Branch. Many of these determinations constituted just empirical assessments of whether an invention measured up to a patentable standard or ministerial assessments of whether patent applicants had satisfied statutory procedural requirements. But in certain instances, outside actors were authorized to resolve disputes between two competing patent applicants or even reverse determinations issued by the head of the office with no mechanism for further review outside of the Article III court system. Here are their stories.

A. 1790 Patent Act

The 1790 Act authorized the Secretary of State, the Secretary of the War Department, and the Attorney General to grant patents in response to petitions of persons asserting they had invented or discovered a useful and new art, device, or improvement.[135] Any two of the three officials were to issue a "letter[] patent" in the name of the United States if they "deem[ed] the invention or discovery sufficiently useful and important."[136] The issuance of the letter patent granted to the petitioner and his heirs the exclusive right of making, using, and selling the invention for a term of up to 14 years.[137] The letters of patent subsequently were to be delivered for examination to the Attorney General who was to certify them within 15 days of

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the role of private actors. Professor Edward Walterscheid has published extensive historical work detailing the role and structure of patent decisionmakers under the 1790, 1793, and 1836 acts—focusing on the development of substantive standards for issuing patents such as the origins of the first-to-invent rule in the United States. *See, e.g.*, Edward C. Walterscheid, *The Early Evolution of the U.S. Patent Law: Antecedents (5, Part II)*, 78 J. PAT. & TRADEMARK OFF. SOC'Y 665 (1996); Adam Mossoff, *Who Cares What Thomas Jefferson Thought About Patents? Reevaluating the Patent "Privilege" in Historical Context*, 92 CORNELL L. REV. 953 (2007) (critiquing the work of Walterscheid and discussing the early evolution article among others). The collective law review literature, however, does not appear to include assessment of the officer status of the participants on the multi-member review boards or a constitutionally grounded assessment of the permissibility of delegation of responsibility to such private actors.

135. Section 1, 1 Stat. 109, 109–10 (section 1).

136. *Id.* at 110.

137. *Id.*

receipt if he found them adequate under the statute.[138] The Attorney General then was to present the letter to the President who affixed the seal of the United States to the letter. The Secretary of State's office maintained the records of granted patents and recorded their delivery to the patent grantee.[139] In addition to this letter patent process, Congress also enacted legislation to grant individual patents throughout the first few decades after constitutional ratification.

Prior to the 1790 act, inventors had petitioned individual state governments for patent recognition. Standardization, and availability, of patent rights across the country as a federal matter was a significant objective of the constitutional drafters and ratifiers.[140] There was no national mechanism for patent issuance under the Articles of Confederation.

The 1790 statute enacted by the First Federal Congress required the grantee of each patent to submit a written specification describing and explaining the invention that would enable the public to have the full benefit of the use and existence of the discovery after expiration of the patent term. The Act did not explicitly specify federal court jurisdiction over patent-related claims, but the existence of jurisdiction was implicit in the Act's provision that the patent specification would serve as admissible evidence regarding the patent in all courts and jurisdictions in which the patent right was questioned.[141] Along with the statutory provision for patent specifications to serve as "competent evidence" in patent disputes, the statute required a jury assessment of damages for infringements of patent rights.[142]

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138. *Id.*

139. *See id.*

140. *See* U.S. CONST. art. I, § 8, cl. 8 (listing among Congress's legislative powers, such as the authority to regulate interstate commerce, the authority "[t]o promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries" (capitalization adapted)).

141. *See* 1 Stat. at 110–11 (section 2).

142. *See id.* at 111 (section 4).

In addition, the statute gave federal judges jurisdiction to evaluate motions made within one year of the issuance of a patent claiming that a patent was obtained under false pretenses.[143] The judge then had authority to require the patentee to "show cause why process should not issue against him . . . to repeal" an unlawfully obtained patent.[144] If the patentee could not rebut the charge, the judge was to "order process" against him.[145] The district court judgment that a patentee was not the first or true inventor also could result in the repeal of the patent.[146]

Inventors quickly grew frustrated with this process. By 1793, only 57 patents had been issued.[147] The three-member panel of two cabinet secretaries and the Attorney General could not keep up with the timely issuance of patent determinations in areas in which they did not have particular expertise.

Members of Congress therefore developed and evaluated several proposals to create a more efficient structure for evaluation of patent applications. For example, H.R. 41, introduced but not enacted, would have created a mechanism for "three indifferent persons" called "referees" to determine whether to stay the issuance of a patent. Each of two opposing parties to a patent application would have selected one of the referees and the Secretary of State would have selected the third. A version of this format appeared in the enacted 1793 Act. During a 1790 House debate on the patent system, there was discussion about whether parties instead were entitled to a patent priority determination by a jury, in part because of concerns that the Secretary of State's appointee would have disproportionate influence on the referee process. But the plea for a jury requirement was rejected. The consensus was that lay juries would

143. *Id.* (section 5).

144. *Id.*

145. *Id.*

146. *Id.*

147. *See* P.J. Federico, *Operation of the Patent Act of 1790*, 85 J. PATENT & TRADEMARK OFF. SOC'Y 33, 39 (2003).

not be competent to decide technical issues associated with that kind of determination.[148]

B. 1793 Act

Then in 1793, Congress successfully enacted a patent process reform proposal.[149] This system swung in a wildly different direction, incorporating lower-level officials and even private actors into the patent determination process.

The lawmakers solved the problem of inefficiency and time constraints within the Executive Branch by limiting executive decisionmakers to making no truly substantive determination on the patent-worthiness or merit of a particular invention. Rather, executive officers had authority just to assess whether patent petitioners had satisfied all the statutory procedural requirements connected to the patent process. If patent petitioners had, initial paperwork was issued and executive branch consideration was complete. These executive officer roles were viewed as merely ministerial.[150] In particular, the 1793 act provided for presentation of a patent petition to the Secretary of State alone.[151] The Secretary of War and Attorney General no longer played a role in the initial determination of patent-worthiness.

As under the 1790 Act, the Secretary of State was to cause a letter patent to be "made out in the name of the United States, bearing teste by the President."[152] Thereupon the petitioner acquired the full and exclusive right to use that invention. Identical to the process under the 1790 Act, the Attorney General then certified that the letter complied with legal requirements, the President received the

148. *See* P.J. Federico, *The First Patent Act*, 14 J. PAT. OFF. SOC'Y 237, 247–48 (1932) (reprinting a record of the House Committee on the Whole debate on March 4, 1790).

149. *See* An Act to promote the progress of useful Arts; and to repeal the act heretofore made for that purpose, 1 Stat. 318 (1793).

150. *See, e.g.*, Grant v. Raymond, 31 U.S. (6 Pet.) 218 (1832).

151. *See* 1 Stat. at 319–21 (section 1).

152. *See id.* at 320–21.

letter for certification, and the patent bearing the seal of the United States was to be recorded.[153]

But distinct from the 1790 Act, the Secretary of State no longer had charge to substantively assess whether the patent application described an invention that met the statutory requirements for new and useful inventions. Instead, the patent applicant swore an oath testifying that he believed the invention was new.[154] The oath did not need to be made before a government official but could be sworn "before any person authorized to administer oaths."[155] Also, before receiving a patent, the inventor had to deliver a written description of the invention in terms sufficiently clear to distinguish it from all prior works. This particular requirement diverged from the 1790 provisions, which imposed no oath requirement for the inventor nor an oath requirement of any kind to accompany the written specification.[156] In addition, the 1790 act had authorized the granting of the patent contemporaneously with the prospective patentee's submission of a written specification rather than requiring a preliminary submission, as the determinations of the Attorney General and Secretaries resolved patent-worthiness at the time. At the time an applicant's paperwork attestations were not dispositive.[157]

Therefore, the 1793 requirements essentially left the process up to the prospective patentee's efforts to certify and verify his own invention. The applicant's description was to be signed by himself and two witnesses and would constitute "competent evidence" in any court where the subject matter of the invention came into question.[158]

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153. *See id.*

154. *See id.* at 321 (section 3).

155. *Id.*

156. *Compare id.*, *with* section 2, 1790 Act, 1 Stat. 109, 110–11.

157. *Compare* section 1, 1790 Act, 1 Stat. at 110, *with* section 3, 1793 Act, 1 Stat. at 321–22.

158. *See* 1 Stat. at 322 (section 3).

The 1793 act provided for federal circuit court jurisdiction of claims that a person had infringed on a patent right, subjecting the wrongdoer to a penalty of at least three times the cost to license the invention.[159] Allegedly infringing parties could raise as a defense the improper grant of the patent; judgment for the defendant in that case would result in a declaration that the patent was void.[160]

Where more than one applicant had a patent pending for the same invention, section 9 of the 1793 Act provided for arbitration of the interfering claims. This provision established a process to resolve the conflict generated where multiple parties had satisfied the threshold requirement of completing the paperwork to receive a patent.[161] The panel in charge of resolution of interfering applications was to consist of "three persons"—one selected by each of the two applicants and the third "appointed by the Secretary of State." Section 9 of the Act specified that "the decision or award of such arbitrators, delivered to the Secretary of State, in writing and subscribed by them, or any two of them, *shall be final*, as far as respects the *granting of the patent*."[162] Where either applicant should refuse to choose an arbitrator, the patent would issue to the opposing party. And where there were more than two interfering applications and the parties were unable to collectively agree upon "appointing three arbitrators," the Secretary of State had the power to appoint them.

The arbitrators were not selected in a fashion permissible under the Appointments Clause for either principal or inferior officers.[163]

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159. *See id.* (section 5).

160. *Id.* (section 6).

161. *See id.* at 322–23 (section 9); *see also id.* at 318–20 (section 1) (keying the issuance of the patent to an applicant's assertions and filings rather than to a substantive determination on the merits by the Secretary of State like the cabinet-level determinations for which the 1790 Act had provided).

162. 1 Stat. at 323 (section 9) (emphases added).

163. *See* U.S. CONST. art. II, § 2, cl. 2 (providing for only four modes of appointment: by the President alone, the President with Senate consent, a court of law, or an executive department head).

Although in cases with multiple applicants who could not agree on which examiners to appoint, the board members were selected by the Secretary of State—a department head capable of appointing inferior officers—the run-of-the-mill examination board was to have two members selected by the disputing parties themselves. Moreover, there was no requirement in the Act that the arbitrators take an oath prior to engaging in their duties, further indicating that Congress did not consider the arbitrators to be serving as governmental actors.[164]

Despite the arbitrators' role in the initial "granting" of a patent, the 1793 Act provided for Article III judicial determination of claims that a patent "was obtained surreptitiously," within three years of the patent's issuance.[165] District court rulings against the defendant were to result in the judgment of the repeal of the patent.[166]

C. 1836 Act

Although the 1793 system remained in place for more than forty years, it, too, led to dissatisfaction. The problem of untimely determinations by the three-member early 1790s panel of high-level governmental officials was in the past. But the 1793 system led to the opposite problem of patents that were too readily awarded.

In response, in 1836 Congress established a separate entity labeled the "Patent Office" that was "attached to the Department of State."[167] The "chief officer" was to be a Commissioner of Patents appointed by the President with Senate consent.[168] The act

164. *See* 1 Stat. at 322–23 (section 9) (excluding any reference to an oath, in contrast to the oath instructions in section 10). The existence of an oath requirement, however, was not uniformly tied to the governmental status of the oath-taker; on occasion Congress required private actors to provide sworn statements in verification of their assertions or actions as private citizens.

165. 1 Stat. at 323 (section 10).

166. *Id.*

167. 5 Stat. 117, 117 (section 1) (1836).

168. *Id.* at 117–18 (section 1).

subsequently described the commissioner as the "principal officer."[169] The commissioner, with the approval of the Secretary of State, was to appoint an inferior officer titled the "Chief Clerk of the Patent Office."[170]

Both officials and "every other person to be appointed" in the office were to "make oath or affirmation, truly and faithfully to execute the trust committed to him" prior to "enter[ing] upon the duties of his office or appointment."[171] Because the chief clerk and commissioner were to collect patent-related fees on behalf of the office, they also had to comply with another standard accountability mechanism for federal officers of the late eighteenth and early nineteenth century—they were to "give bonds with sureties to the Treasurer of the United States" in the amounts of $5,000 and $10,000, respectively.[172] The bonds were to guarantee that these two officers would render an accurate account on a quarterly basis of the payments they received for duties on patents and copies of patent records and invention drawings.[173] The act also included a conflict-of-interest provision, establishing that every person "appointed and employed in the office" was prohibited from acquiring, except through inheritance, any patent right granted after the enactment of the legislation during the period of their appointment.[174]

169. *Id.* at 118 (sections 2 and 3).

170. *Id.* (section 2).

171. *Id.* (sections 2 & 3).

172. *Id.* (section 3); *see also* An Act to regulate the Collection of the Duties imposed by law on the tonnage of ships or vessels, and on goods, wares and merchandises imported into the United States, 1 Stat. 29, 44 (section 28) (1789) (requiring customs officers to give a bond payable to the United States "conditioned for the true and faithful discharge of the duties of his office according to law"); An Act to establish the Treasury Department, 1 Stat. 65, 66 (section 4) (1789) (requiring the Treasurer of the United States to give a bond "with condition for the faithful performance of the duties of his office, and for the fidelity of the persons to be by him employed").

173. 5 Stat. at 118 (section 3).

174. *See id.* (section 2).

The Commissioner had plenary supervision of the office, albeit "under the direction of the Secretary of State." He was "to superintend, execute, and perform, all such acts and things touching and respecting the granting and issuing of patents" and would "have the charge and custody of all the books, records, papers, models, machines, and all other things belonging to said office."[175] Patents from the office were to be issued in the name of the United States, signed by the Secretary of State, and countersigned by the Commissioner.[176]

Petitioners desiring patents were to submit a written application to the Commissioner who, "on due proceedings," had authority to grant a patent. The applicant had to make an oath asserting that he believed he was the original inventor of the submitted art and had to provide a specification of the invention that he had signed and to which two witnesses had attested.[177]

Under this Act, rather than the inventor's submissions resulting in the automatic grant of a patent, the filing of a patent application first triggered an examination by the Commissioner as to whether the invention was new. If the Commissioner concluded that the subject matter was indeed novel, then the Commissioner had the "duty to issue a patent" for it so long as he "deem[ed] it to be sufficiently useful and important."[178]

But when the Commissioner determined that the applicant was not the original inventor or an aspect of the claimed invention was not a new discovery, the Commissioner was to notify the applicant and provide him the opportunity to alter his written specification of the purported invention to attempt to justify the patent. The applicant could withdraw his application at that time and relinquish his claim. Or he could persist in his application.

175. *Id.* (section 1).
176. *Id.* at 118–19 (section 5).
177. *Id.* at 119 (section 6).
178. *Id.* at 119–20 (section 7).

If the Commissioner still concluded that the applicant was not entitled to a patent, then the applicant could appeal and submit a written request for a "board of examiners" to review the Commissioner's denial. The statute specified that the Secretary of State had to appoint "three disinterested persons" to constitute the board "for that purpose."[179] At least one of the examiners was "to be selected, if practicable and convenient, for his knowledge and skill in the particular art, manufacture, or branch of science to which the alleged invention appertains."[180] And board members were to take an oath to impartially perform "the duty imposed upon them by said appointment."[181]

D. Legal Status of the 1836 Boards of Examiners

The 1836 statutory language itself is highly suggestive of the discrete, nongovernmental status of the examiners to be hired. First, the statutory text intimated that the examiners were to be hired on a case-by-case basis. Otherwise, it would not be possible to select a panel examiner for knowledge of the specific skill relevant to the particular invention up for review by the board. Second, Congress required the examiners to take an oath to impartially fulfill just the duty imposed by their "said appointment" to reach resolution in a specific patent dispute.[182] Also, the statute referred to the examiners as "persons" rather than officers or employees of the government. And the examiners received remuneration on a fee-for-service basis rather than a salary.[183]

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179. *See id.* at 120 (section 7).

180. *Id.*

181. *Id.*

182. *See id.* ("[O]ne of whom at least, to be selected, if practicable and convenient, for his knowledge and skill in the particular art, manufacture, or branch of science *to which the alleged invention appertains*; who shall be under oath or affirmation for the faithful and impartial performance of the duty imposed upon them *by said appointment*." (emphases added)).

183. *Id.* Neither of these final two factors is dispositive. Other statutory provisions use the phrase "persons" at time to refer to officers. But often, in such a case, the

This understanding is apparently confirmed by the Patent Commissioner's 1839 annual report on patent officer operations to Congress in which he explained the roles of the boards and their inefficiencies.[184] The commissioner described the board as "occasionally appointed in cases of appeals" and mentioned that it was challenging to find adequately qualified individuals to serve on each appeal. He further described the delay in constituting a board whenever there is an appeal, indicating that the board did not consist of one set group reconvened repeatedly albeit intermittently to consider each appeal. After the submission of this report on the inefficiency of the 1836 board, Congress transferred the board's appellate review duties to the chief justice of the district court of the United States for the District of Columbia.[185] There is no recorded congressional debate over this particular feature of the 1839 act or the chief justice's special statutory review role.[186] And the 1836 boards were so short-lived that there are apparently no federal court reporter records of appeals from board actions. There are, however, several post-1839 chief justice decisions in the early federal reporters that provide insight into the character and scope of the review authority

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statutory scheme uses both the general term "persons" and the more particular term "officer." Here the examiners are never described as holding an office. Similarly, with payment on a fee-for-service basis, at times government officers also received compensation in this fashion—*e.g.*, customs officials in the First Congress received payment by fees connected to the imported goods that they processed. *See* 1 Stat. 29, 44 (section 29) (1789). But at least here, in this statutory scheme, other more ongoing positions are funded via salary rather than payment for services rendered "in each case."

184. H. Rep. Doc. No. 80, 25th Cong., 3rd Session (Jan. 14, 1839).

185. *See* 5 Stat. 353, 354 (section 11) (1839) ("[I]n all cases where an appeal is now allowed by law from the decision of the Commissioner of Patents to a board of examiners . . . the party, instead thereof, shall have a right to appeal to the chief justice of the district court of the United States for the District of Columbia, by giving notice thereof to the Commission, and filing in the Patent Office . . . .").

186. *See* Vol. 8, Congressional Globe, 26th Cong.; section 11, 1 Stat. 354, 354–55 (1839) (discussing the role of the chief justice under the new scheme, which replaces the 1836 board role).

that the 1836 boards and chief justice exercised.[187] The jurisdiction of the single-judge review starting in 1839 was similar to that of the 1836 boards. And because the ministerial nature of the grant of a patent did not substantially change under the 1839 Act, the legal significance of issuance of a patent under both the 1836 and 1839 acts, prior to judicial review via a bill in equity, remained essentially the same.

The board's adjudication of a patent applicant's appeal essentially pitted the Commissioner and the applicant against each other as two adverse parties. The board was to give "reasonable notice" to the Commissioner and the applicant of the time and place of a board hearing at which the two parties could provide the board with the "facts and evidence" they deemed "necessary to a just decision."[188] The Commissioner had the duty to provide the board with any relevant information he possessed.[189] Upon its "examination and consideration of the matter," the board—or a majority of its members—had the power to reverse the Commissioner's decision in whole or in part. Once the board's opinion was certified to the Commissioner, he was to be governed by it in any future proceedings he conducted on that patent application.[190] Traditional judicial review of past determinations was addressed separately, in section 12 of the 1836 act and section 11 of the 1839 act.

In addition to reversing the Commissioner's denial of an initial patent application, the board had the authority to reverse a Commissioner's denial of a challenge brought through an interference proceeding.[191] (The 1836 board and chief justice, in contrast, lacked authority to reverse a Commissioner's decision resulting in a patent

187. *See, e.g.*, Matthews v. Wade, 16 F. Cas. 1136 (C.C.D.C. 1850); Bain v. Morse, 2 F. Cas. 394 (C.C.D.C. 1849); In re Janney, 13 F. Cas. 349 (C.C.D.C. 1847); Pomeroy v. Connison, 19 F. Cas. 957 (C.C.D.C. 1842); In re Kemper, 14 F. Cas. 286 (C.C.D.C. 1841).

188. 5 Stat. 117, 120 (section 7).

189. *Id.*

190. *See id.*

191. *Id.* at 120 (section 7).

grant.) The board's jurisdiction included appeals from commissioner determinations on which of two pending applications had priority and whether a new application would interfere with any already-granted unexpired patent. If either the new applicant or the previous applicant was dissatisfied with the Commissioner's resolution "on the question of priority of right of invention," then the applicant could appeal from the decision to the board. This might occur in instances simply where the Commissioner had decided a new applicant had not demonstrated eligibility for a patent. But the terms of the statute also covered appeals where the Commissioner reached a decision against a patentee holding an unexpired patent that had been previously granted.[192]

Section 16 of the 1836 Act provided that whenever a patent application was denied through an adverse decision by "a board of examiners" on the ground of interference, the applicant or other person interested in the patent could have a "remedy by bill in equity." The court, after granting "notice to adverse parties and other due proceedings," had the power to declare the patents void or inoperative and invalid. The court could also issue a judgment that an applicant was entitled to receive a patent based on "the fact of priority of right or invention" in the case. If that adjudication favored the right of a patent applicant, then the adjudication authorized the Commissioner to issue the patent.[193] There was no available judicial review under the 1836 Act for commissioner decisions *granting* a patent or for ex parte denials of patent applications.[194]

Although by this account the 1836 boards of examiners sound like bodies with quite significant authority at least with respect to patents, they were reviewing what was essentially a ministerial

192. *See id.* at 120–21 (section 8). It is unclear from the rest of the context of this statutory provision, however, whether the board truly had charge over disputes challenging an already-existing patent because the provision continues on to provide that board proceedings were to resolve disputes "determin[ing] which or whether either of the *applicants* is entitled to receive a patent as prayed for." *Id.* (emphasis added).

193. *Id.* at 123–24 (section 16).

194. *See id.*

determination about whether patent applications had satisfied technical requirements.[195] There is little to no readily available evidence suggesting that the boards issued decisions in many instances. By 1839, Congress had eliminated the provision for this board of examiners.[196] In all cases where appeals to a board of examiners had previously been permitted, the 1839 Act instead gave the party the right to petition to the chief justice of the district court of the United States for the District of Columbia. Congress expanded the availability of judicial review under the 1839 Act, authorizing appeal for review to the Chief Justice under his special statutory review authority for patent denials on any ground.[197]

There does not appear to be a record of congressional debate in 1836 over the role of the boards and whether the use of outside boards to reach final findings related to patent determinations raised any constitutional concerns. The boards lasted only until 1839 when Congress eliminated them in favor of immediate appeals to the chief justice of the federal district court in Washington, D.C. Patent scholar P.J. Federico's examination of relevant records reported fewer than 10 board of examiner determinations prior to the change in the procedure in 1839.[198]

The 1839 commissioner's report suggests that the motivation for the 1839 elimination of the 1836 boards was practical rather than constitutional. The 1839 commissioner report describes the board review procedure as inefficient and ineffective because the federal government did not pay enough for their services to draw skilled examiners. The boards were revisiting so many complicated issues related to patents that the board reconsideration process had

195. *See* Mascott & Duffy, *supra* note 21, at 27.

196. *See* 5 Stat. 353.

197. *See id.* at 353–54 (sections 10 and 11).

198. P.J. Federico, *Evolution of Patent Office Appeals*, 22 J. PATENT OFF. SOC'Y 838, 841–42 (1940).

become unwieldy.[199] The 1836 Act had authorized only up to $10 compensation per matter.[200] Because the boards were reviewing evidence and taking on the factual review of the entire record, the board of examiner appeal process was quite lengthy. The compensation for each proceeding was inadequate to motivate qualified individuals to take on the assignment.[201]

E. 1839 Act

The 1839 Act provided that the chief justice of the D.C. district court would have authority to review any type of Commissioner determination that had previously been subject to board of examiner review. In cases lacking two private parties, the Commissioner was to be served by the challenging party. The chief justice was to decide issues on a summary basis and had jurisdiction over all issues that the 1836 Act had authorized for consideration by the intermittent boards of examiners. The 1839 Act also authorized the Commissioner of Patents to promulgate regulations for taking evidence in contested cases.[202] In that way, the 1839 Act tried to standardize the process for evaluating contested patent determinations.[203]

III. OFFICERS UNDER THE CONSTITUTION? THE ROLE OF THE 1836 AND 1839 PATENT REVIEW STRUCTURES

Starting as early as the mid-nineteenth century, Supreme Court case law and other contemporary legal sources, such as Floyd Mechem's 1890 treatise on officers, observed that to hold an office

199. Letter from Henry L. Ellsworth, Comm'r, U.S. Patent Off., to Senator John Ruggles, Jan. 29, 1836 [hereinafter Ellsworth letter].

200. 5 Stat. 117, 120 (section 7) (1836).

201. *See* Ellsworth letter, *supra* note 199.

202. *See* 5 Stat. 353, 354–55 (1839) (sections 10, 11, and 12); *see also* Arnold v. Bishop, 1 F. Cas. 1165, 1166 (C.C.D.C. 1841).

203. *Cf. Arnold*, 1 F. Cas. at 1166 (noting that the Commissioner had not made any provision in the procedural rules he promulgated for the adjudication of patent applications to make exceptions from those rules, suggesting that the same procedures should be in place for each proceeding).

subject to constitutional constraints like the Appointments Clause, one must hold a position with "tenure, duration, emolument, and duties."[204] For example, the Mechem treatise specified that the key indicator of governmental officer status was whether one had been delegated some of the "sovereign functions of government."[205] It further refers to public office as a "permanent trust" beyond the performance of "transient and occasional duties" and cites authority noting that an "office is a special trust or charge created by competent authority." Such a trust involves action that "in its effects . . . will bind the rights of others."[206]

Principles from nineteenth-century cases and a treatise on officers suggest that where governmental actors such as Congress reach a policy-based assessment that governmental findings should incorporate expert determinations, the sovereign act has occurred at the point that Congress authorized and assigned weight to the expert assessment.[207] The actual expert assessment itself is not a separate sovereign act, but just a factbound determination or finding that the government can contract out to a private actor. Even where two parties disagree on the factual determination, the adjudication of that dispute also is not necessarily a sovereign act so long as an act of government is what finally gives the binding impact to the expert resolution.[208] In other words, as a historical matter, the use of an adjudicative actor to break a tie between two disagreeing

204. *See, e.g.*, United States v. Hartwell, 73 U.S. 385, 393 (1868) ("An office is a public station, or employment, conferred by the appointment of government. The term embraces the ideas of tenure, duration, emolument, and duties."). *See also* West, *supra* note 35.

205. FLOYD RUSSELL MECHEM, A TREATISE ON THE LAW OF PUBLIC OFFICERS AND OFFICERS 5 (1890) (explaining that delegation of "some of the sovereign functions of government" is the key indication of governmental officer status).

206. *Id.* at 3 n.2, 4.

207. *See, e.g.*, Auffmordt v. Hedden, 137 U.S. 310, 329 (1890).

208. *Cf. Mandatory Statutes—Appointing Power*, 8 Op. Att'y Gen. 41 (1856) (noting that the President needed to have the authority to reject a contractual agreement or the actor executing the contract would be exercising the power of an Article II officer subject to Appointments Clause constraints).

appraisers or patent examiners did not necessarily transform the resolution of the factual dispute into an inherently sovereign act.[209]

Further, government officials at the time recognized the ministerial nature of some of the relevant private actors' duties. For example, the Supreme Court explicitly recognized that under the 1793 act, executive officials conducted purely ministerial responsibilities in evaluating patents.[210] The Executive Branch recognized this ministerial nature of its authority. For example, an early nineteenth-century letter to the Secretary of State concluded that the Secretary had lacked discretion to decline to issue a patent once the prospective patentee had complied with the congressionally mandated application process.[211] And in 1831 the Attorney General opined that the State Department "acts ministerially rather than judicially in granting patents" and that patents issue from the Patent Office "upon the representation of the party, without entering into an examination of the question of right."[212] The Attorney General further concluded that where a question extended beyond procedural compliance and included the determination whether a patent will "confer any right on the patentee," the question was necessarily subject to "the decision of the court."[213]

Nineteenth-century decisions by the judges authorized in 1839 to review patent commissioner determinations also shed light on the understanding of the significance of the role of the post-commissioner review authorized under the 1836 and 1839 acts. There were relatively few appeals from commissioner denials during the

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209. *Cf.* MECHEM, *supra* note 205, at 3 n.2 (describing case law that indicates that court-appointed receivers and land commissioners establishing damages awards are not "public officers" within the constitutional meaning because their actions are "related especially to particular individuals and specific litigation").

210. *See, e.g.*, Grant v. Raymond, 31 U.S. 218, 241 (1832) (opinion of Marshall, C.J.) ("[T]he secretary of state may be considered, in issuing patents, as a ministerial officer. If the prerequisites of the law be complied with, he can exercise no judgment on the question whether the patent shall be issued.").

211. Patents for Inventions, 1 Op. Att'y Gen. 170, 171 (1812).

212. Patents, Patent Office, and Clerks, 2 Op. Att'y Gen. 454, 454–55 (1831).

213. *Id.* at 455–56.

period that the private three-member boards of examiners were in place, but scholars have identified fulsome records of nine appeals to boards of examiners in 1838.[214] Members of the board did not receive significant remuneration, being paid minimally for their work on each matter. The Patent Commissioner's 1838 report indicated that this sum was far too small to induce willingness to serve on the boards in light of the often extensive factual record that the board had to review to resolve a patent dispute.[215] In total, historians and records indicate that fifteen individuals served on the nine 1838 boards.[216]

The 1836 Patent Act required the members to take an oath to faithfully serve.[217] In practice the members then also set their own procedures for their proceedings—adopting rules governing testimony, depositions, and hearing schedules.[218] The board would sometimes grant continuances and hold proceedings over the course of multiple days.[219] The nine boards issued decisions in eight interference proceedings and one ex parte matter, affirming the Commissioner on five occasions and reversing him on three with one appeal being withdrawn.[220] According to a patent commissioner report, the board interpreted its role to include reexamination of the evidence, which could lead to lengthy service. According to Professor Federico, the rules that the boards established differed from case to case,[221] suggesting that the boards did not have binding sovereign authority to set the terms for future proceedings.

The chief judge had neither the responsibility nor the authority to rehear the evidence and was required by statute to evaluate the

214. *See* Federico, *supra* note 198, at 842.

215. Annual Report, Commissioner of the Patent Office (Jan. 1, 1839) (describing the need for reform).

216. *See* Federico, *supra* note 198, at 841.

217. *See id.* at 841–42.

218. *Id.* at 841–42.

219. *Id.*

220. *Id.* at 842.

221. *Id.*

appeal based on the evidence before the Commissioner.[222] Further, Attorney General Hoar in 1870 advised the Secretary of the Interior that he viewed the chief justice's role in patent review as ministerial and not "strictly judicial."[223]

The 1839 Act also provided for judicial review via a bill in equity of every refusal of a patent.[224] The 1836 Act, in contrast, had not provided for any judicial review of denials of ex parte applications—just of patent denials due to interference disputes between two competing applicants or between a new application and an unexpired patent.[225]

The first appeal under the 1839 Act reached Judge William Cranch in 1841.[226] Judge Cranch was the only judge hearing patent appeals from the Commissioner for 13 years.[227] Congress created the Circuit Court of the District of Columbia in 1801 and Cranch was appointed as chief judge in 1805.[228] According to Federico, Judge Cranch handed down opinions in only nineteen Patent Office appeals from 1841 to 1850.[229]

Several of these decisions contain characterizations of Judge Cranch's view of his role in the review of executive branch patent determinations. They suggest that he was acting in an executive capacity rather than as a source for Article III judicial review.

One interesting case involved a claim for a patent on improved Morse code technology. Although the challenge was brought as an interference proceeding, Judge Cranch concluded that both parties had developed a separate patentable contribution. After Judge Cranch attempted to retire in the early 1850s, Congress passed a bill

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222. *See* 5 Stat. 353, 354–55 (section 11–12) (1839).

223. Judge's Certificate in Patent Appeal, 13 Op. Att'y Gen. 265, 266 (1870).

224. *Id.* at 354 (section 10).

225. 5 Stat. 117; *see* Federico, *supra* note 198, at 840.

226. *See* Federico, *supra* note 198, at 845–46. *See also* In re Kemper, 14 F. Cas. 286 (C.C.D.C. 1841).

227. *See* Federico, *supra* note 198, at 848.

228. *Id.*

229. *Id.* at 848–49.

permitting appeal to assistant judges of the D.C. Circuit Court in addition to the chief judge of that court.[230] At first some applicants refused to appeal to anyone other than Judge Cranch who was no longer hearing cases, which Federico indicates was a means for the prevailing party below to indefinitely delay appeal.[231] The Patent Commissioner at the time tried to intervene by issuing an order to compel transfer of appeals to the assistant judge from the docket of Judge Cranch, threatening to immediately grant a patent to the party who prevailed below if the parties did not transfer the appeal.[232] Attorney General Caleb Cushing put a stop to this approach in 1853, however, by opining that such an order violated the 1839 Act, which gave applicants a legal entitlement to appeal to a chief judge.[233] The fact that the Attorney General, a senior executive branch official, believed he could issue such an order and require the parties to proceed a particular way suggests that he believed the Commissioner had supervision over the mechanics of this review process and that it was internal to the executive branch.

Intriguingly, in 1861, Congress created a new board of three examiners-in chief who served as an intermediate review body between the frontline examiner and the Commissioner of Patents.[234] These examiners were subject to presidential appointment with Senate consent and earned a statutorily prescribed annual salary.[235] These distinct, more formal arrangements underscore through contrast the more intermittent, service-for-hire nature of the 1836 boards who stood in review of Commissioner determinations. Over a span of just twenty-five years, the appellate, privately hired boards had been replaced by permanent intermediate appellate boards of examiners whose decisions were subject to higher-level

230. *See id.* at 850–51.
231. *See id.* at 851.
232. *Id.*
233. 6 Op. Att'y Gen. 38 (1853).
234. 12 Stat. 246, 246–47 (section 2) (1861).
235. *Id.*

review by the Commissioner, rather than the hired-by-case intermittent examiners whose determinations could supersede Commissioner patent denials. Professor Federico, however, indicates that the intermediate appellate review of these boards likely had already been part of informal practice within the Patent Office, in some form, before Congress formally provided for the appointment of the intermediate board by statute.[236] The 1857 annual report provided to Congress regarding the patent office also referenced the existence of some kind of intermediate board review in light of the Commissioner's inability to singlehandedly hear and fully consider all appeals from the initial examiner decisions.[237]

If these observations accurately reflect the practice, an intermediate appeals board that Congress eventually established in 1861 subject to presidential appointment with Senate consent initially existed in some form without statutory authorization of any kind. In his description and analysis of this practice, Professor Federico notes, however, the distinct nature of the role of the board review prior to its statutory authorization as a distinct entity in 1861 –- "the board in effect acted *for the Commissioner* in an appeal to him directly from the initial examination and a separate appeal from the board to the Commissioner did not exist."[238] Federico's description is consistent with Chief Judge Cranch's description of patent practice in one of his decisions affirming a commissioner patent denial in 1850. In the opinion reviewing the denial of a patent for improvements to steamboat propellers, Judge Cranch disputed the commissioner's oblique reference to board of examiner review in 1850 that could have been read to suggest the board had power over the commissioner. Judge Cranch explained that he had "no knowledge of any legal board of examiners in the patent office having power or authority to affirm or reverse the decisions of the commissioner of

236. *See* Federico, *supra* note 198, at 854–55; In re Aiken, 1 F. Cas. 226 (C.C.D.C. 1850).

237. Federico, *supra* note 198, at 855–56 (quoting REPORT OF THE COMMISSIONER OF PATENTS FOR THE YEAR 1857 (1858)).

238. *Id.* at 856 (emphasis added).

patents."[239] The 1839 Act transferred the power of the 1836 boards to the district judge. And without statutory authority for board review, Judge Cranch said, review within the patent office must be either by the commissioner himself or "with the aid of such examiners as [the commissioner] may assign for that business."[240] In a clear nondelegation statement, Judge Cranch declared that the commissioner "cannot transfer to [the examiners], or any of them, his own power to decide." Further, the commission "cannot constitute them a board of examiners, known in law as such," as any nonstatutory examiners would be "but the assistants of the commissioner in the discharge of his duties."[241]

This distinction could have had significant relevance for the constitutional import of the board's role, in that the intermediate trio of actors would have been serving merely as adjuncts to the Commissioner, or in his shadow, prior to the genesis of their own statutory role providing separate review as a function of their separately created office in 1861.

Professor Federico does not identify any analysis of the constitutional nature of the informal board in the mid-nineteenth century. But the construct of actors performing adjunct roles in the shadow of a constitutional officeholder, rather than holding their own independent position, extends as far back as the First Federal Congress in 1789.[242]

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239. *In re Aiken*, 1 F. Cas. at 227.

240. *Id.*

241. *Id.*

242. *See* Mascott, *Officers*, *supra* note 17, at 515–23; Aditya Bamzai, *The Attorney General and Early Appointments Clause Practice*, 93 NOTRE DAME L. REV. 1501, 1507–08 (2018); *see also* United States v. Eaton, 169 U.S. 331, 343–44 (1898) (concluding that vice consuls temporarily carrying out the duties of a consul when that office is vacant serve only as "de facto" officers in the consul seat, without actually taking on the "character" of consuls: "Because the subordinate officer is charged with the performance of the duty of the superior for a limited time and under special and temporary conditions, he is not thereby transformed into the superior and permanent official . . . [t]o so hold would render void any and every delegation of power to an inferior to perform under any circumstances or exigency the duties of a superior officer . . . ").

At the time that the chief judge of the D.C. district court was authorized to hear patent appeals in 1839, the District of Columbia did not yet have its own separate local court system.[243] Underscoring the nonjudicial nature of the appeal to the judge during that timeframe, remarks by a congressman in 1870 explicitly noted the nonjudicial nature of the appeal from commissioner decisions.[244] He referred to the review as that of "the action of a single judge" that did not necessarily align with the decisions of other judges sitting in review at that stage or decisions by the commissioner,[245] suggesting that the determination was not that of a member of a cohesive court or judicial review body. The congressman further, more pointedly, described the appeal to the sole D.C. judge authorized by the 1839 Act as "to an officer who is neither an executive officer nor a judicial officer in the act he is required to perform, but only judicial in name."[246]

The role of this not-quite-judicial officer does not technically raise the *Arthrex* concern derived directly from the Court's Appointments Clause doctrine, in that the D.C. judges were each appointed by the President with Senate consent. So even if the D.C. judge hearing the patent appeal was deemed to be issuing a final decision that was still within the Executive Branch, the judge nonetheless still would have been appointed properly under the *Arthrex* rule that only principal officers can reach final executive branch determinations regarding patent adjudications.[247] That said, the Court in *Arthrex* also suggested that Director review was required of PTAB inter partes decisions because the Vesting Clause requires certain supervisory review of decisions before they become final for the Executive Branch.[248] If the D.C. judges empowered to hear appeals under the 1839 statute indeed were still engaged in executive

243. *See* Voorhees, *supra* note 63, at 919–20.
244. *See* Federico, *supra* note 198, at 859.
245. *Id.* at 859 (quoting CONG. GLOBE, 41st Cong. at 2679–83 (Apr. 14, 1870)).
246. *See id*.
247. *See* United States v. Arthrex, 141 S. Ct. 1970, 1985 (2021).
248. *Id.* at 1976.

decisions when reviewing Commissioner appeals, then *Arthrex* would suggest a potential problem. That is, so long as the judge was not somehow subordinate to executive branch supervisory control when issuing the patent review. Or perhaps the patent issuance role at the time was so pro forma and ministerial, with little legal consequence other than registering a patent request, in which case the review of the Commissioner determinations was not necessarily a binding *sovereign* act.

To that point, in the same set of remarks, Congressman Jenckes described the 1836 board of examiner appeals as originally involving only a narrow review of facts that over the course of the next several decades had expanded to covering questions of law.[249] That characterization of the 1836 examiner board review as addressing only factual determinations is consistent with the description of the review function in the 1830s decisions themselves that reviewed Commissioner patent denials. If the examiner boards sat simply as expert evaluators of the technical nature of an invention to objectively measure its patentworthiness, then the implications of those boards for the significance of the exercise of authority outside Article II constraints is relatively limited. Rather than asserting authority to develop the law or gap-fill, make final determinations about an individual's affirmative entitlement to a patent, or even create new regulatory procedures for adjudications, the boards would have looked much more analogous to the fee-for-service weighers, gaugers, and measurers of the 1789-era customs operations than to a standard-creating body or a prosecutor acting without direct executive supervision.

Congressman Jenckes's primary concern about the subsequent role of the post-Commissioner review, once it was taken over by D.C. judges per the 1839 statute, was that it had expanded to cover too many significant questions such as legal issues core to patent

249. Federico, *supra* note 198, at 859–60 (quoting CONG. GLOBE, 41st Cong. at 2679–83 (Apr. 14, 1870)).

determinations.[250] There was no uniformity of decision because the review of Commissioner denials was relatively ad hoc.[251] And Congressman Jenckes goes so far as to describe the reviewers as "assum[ing]" to themselves "some of the executive powers of the Commissioner" as well as "quasi judicial powers." The review determination apparently was not viewed as a true judicial determination, and this aspect of it seemed to be motivating some of the concern of Congressman Jenckes, who lamented that "[t]he vice" of the system and what Congress wanted to amend was that the officer reviewing Commissioner determinations was "neither an executive officer nor a judicial officer in the act he is required to perform, but only judicial in name."[252] Consequently, it would have made no difference as a constitutional matter whether the individual hearing the appeal was "one out of four" or "one out of two hundred and forty" or a judge of the D.C. supreme court or a member of the U.S. House of Representatives, in Congressman Jenckes's view.[253]

In 1869, the patent commissioner at that time more explicitly opposed the process of appeal to a single judge in its entirety.[254] He noted that there was no mechanism for en banc review, so that there was no consistency in the administration of the patent system resulting from that system of review.[255] This 1869 annual patent commissioner report also described the appeal to a single judge as an encroachment on the executive duties of the Commissioner—constituting yet another source suggesting that this unique review of Commissioner determinations was an addendum to the executive

250. *See id.*

251. *Cf. id.* at 860 (describing the analysis at the time that a judge's actions had been "so irregular with respect to procedure and his conception of the law of reissues so peculiarly incorrect" that the Commissioner at one point "refused to issue the patents" required by one of the judges' determinations and orders).

252. *Id.* at 859.

253. *See id.*

254. *See* Federico, *supra* note 198, at 862–63 (quoting 1 ANNUAL REPORT OF THE COMMISSIONER OF PATENTS FOR THE YEAR 1869 (1871) [hereinafter 1869 ANNUAL REPORT]).

255. 1869 ANNUAL REPORT, *supra* note 254, at 11.

process of evaluating patents rather than an exercise of judicial review.[256] The commissioner of course had reason to contest the role of a non-patent office official in reviewing his determinations. But it is noteworthy that his specific objection was that it was being "asserted that the judge, and not the Commissioner, is the head of the Patent Office."[257] The commissioner urged Congress to alter this state of affairs on the ground that by 1869, the single judges were being "authorized to interfere and to overrule the Commissioner in any order or rule which the latter may make or attempt to execute."[258] These single judges were forcing the issuance of patents that the Commissioner, in his role as titular head of the patent office, had determined should be denied. And the mechanism for the review was described as a "summary appeal,"[259] suggesting it was less like judicial review and more like a decision by a supra-executive. The 1869 report also highlighted that the patent commissioner believed that the single-judge appeal mechanism precluded final "determination of the rights of the parties" because it precluded the office from enforcing prompt decisions[260]—further underscoring that the review process seemed to operate as an extension of the patent office's own executive operations. Nonetheless, it seemed to still be primarily factual in nature, as the commissioner reported that ninety percent of the appeal cases "involve[d] mere questions of fact."[261]

Finally, this appeal existed separate and apart from the authority that Congress had granted to applicants to file bills in equity in any circuit court in the 1839 patent act replacing the 1836 examiner boards with the single-judge executive review process.[262] In contrast to the more limited judicial review available under the 1836

256. *See id.* at 11–12.
257. *Id.* at 12.
258. *Id.*
259. *See id.* at 11–12.
260. *Id.* at 13.
261. *Id.*
262. *See id.*; 5 Stat. 353, 354 (section 10) (1839).

Act, the 1839 Act permitted the filing of a bill of equity to judicially challenge the denial of a patent on any ground.[263]

In 1841, in *Arnold v. Bishop*, Chief Judge Cranch affirmed one of the patent commissioner's application denials in an interference proceeding. Arnold had challenged the commissioner's factual determinations and alleged that they were based on testimony inadmissible under the rules of the patent office. In this opinion, Judge Cranch sets forth the facts of the case and the evidence presented to the patent office. For example, he relies on depositions to establish the story of the sequence of the discovery of the alleged invention. He also assesses which technology was part of the invention and finds that "[t]he man who reduces to practice the theory of another who assists in the reduction of it to practice cannot be considered as the sole inventor of the machine."[264] With this conclusion, Judge Cranch was not interpreting the scope of the patent statutes but simply evaluating the criteria that justify patentability. He further found that the relevant invention at issue "consisted both of the discovery of the principle and the reduction of it to practice."[265] That said, subsequent reports by patent commissioners suggest that the decisions by Chief Judge Cranch and other judges sitting as lone adjudicators did not have precedential value. Therefore, no uniform new body of law was established by the decisions reviewing the initial Commissioner patent *denials*. Judge Cranch also reached determinations resolving inconsistencies in the facts within depositions relevant to the patent application and evaluated witness credibility. He ultimately rejected the admission of additional evidence and affirmed the patent denial. And he applied statutory provisions in the 1836 and 1839 Acts indicating that one loses their right to a patent by failing to object to the public use of their invention over a two-year period.[266]

263. *Compare id.*, *with* 5 Stat. 117, 123–24 (section 16) (1836).
264. *See* Arnold v. Bishop, 1 F. Cas. 1165, 1167 (C.C.D.C. 1841).
265. *See id.*
266. *See id.* at 1168.

Separate and apart from this particular review process, the 1836 and 1839 acts also authorized the pursuit of judicial review through a bill of equity. If an Article III court determined upon review that the Commissioner or D.C. chief judge had improperly denied a patent, that Article III determination would effectively authorize the statutory grant of the patent so long as the applicant followed the pro forma steps of filing a copy of the adjudicative determination and complying with the Act's remaining procedural requirements.[267]

One month after his initial October 1841 decision in *Arnold v. Bishop*, Judge Cranch reconsidered the matter.[268] That second time, the judge indicated that he had heard additional arguments on the admissibility of a certain deposition.[269]

Judge Cranch's opinions generally relied fairly heavily on statutory interpretation, and he extensively discussed relevant detailed provisions from the 1836 and 1839 patent acts. For example, in the November 1841 reconsideration of the patent denial in *Arnold v. Bishop*, Judge Cranch noted that the statutory provisions requiring the patent applicant to be the inventor and prohibiting three parties from jointly being deemed inventors required the commissioner here to deny the patent request.[270]

In the November 1841 rehearing, Judge Cranch also described the mechanics of the review process in significant detail. He described his role as the chief justice reevaluating the petition as one who was to revise commissioner determinations in a "summary way on the evidence produced before the commissioner at such early and convenient time as he may appoint." The commissioner had to have notice of the proceeding and then was supposed to submit all of the "original papers and evidence in the case," the grounds of his

267. *Id.*
268. *See* November 1841 rehearing, Arnold v. Bishop, 1 F. Cas. 1168, 1168 (1841).
269. *See id.*
270. *Id.*

decisions in writing.[271] The judge was permitted to review only those issues related to reasons for the appeal. As a practical matter, this might mean affirming the commissioner even if the judge uncovered an error unrelated to the precise issues raised on appeal.[272]

Not only could the judge consider only those issues raised on appeal, but the judge's proceedings governed further commissioner decisions only with respect to the grounds for patent denial actually raised on appeal. If the judge sustained the commissioner denial, the commissioner could not subsequently revisit his earlier denial on those same grounds. At the same time, a commissioner could reject a patent even after a justice had reversed an initial denial so long as the commissioner identified a new basis for denial upon further review. The judge's reversal of the original denial was binding only with respect to the grounds actually considered on appeal.[273]

Intriguingly, in another indication that the judge's review of Commissioner patent details did not operate like typical judicial review, Judge Cranch's patent-related determinations include a fair degree of unsettling of his own earlier determinations. Also, Cranch was relatively candid about his perceptions of the limitation on his patent dispute resolution authority. For example, upon review of his earlier *Arnold* decision, Cranch suggested that he had correctly concluded he held the authority to determine whether Mr. Arnold qualified for a public-use exception. Cranch opined that he should not have reached the issue about whether a patent can issue for an invention that has been in the public use for two years. Judge Cranch indicated that portions of his old opinions to the contrary should be debated and destroyed. He also indicated that he thought part of his former opinion was extra-judicial and should be withdrawn.[274]

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271. *Id.* at 1169.
272. *See id.* at 1170.
273. *See id.*
274. *See id.*

Another of the few opinions decided under the 1830s system of appellate review of the Commissioner patent denials—*Bain v. Morse*—involved Judge Cranch's review of a development related to Morse code technology.[275] In challenging the patentability of Morse's invention, Bain's attorney argued evidentiary procedure, characterizing the limits of the evidence of the relevant technology presented to the commissioner and to the D.C. federal judge.[276] Bain's counsel contended that parties could call both the patent commissioner and the examiners to testify under oath explaining the principles of the machine for which a patent is requested but that the commissioner and examiners could not give opinions or describe facts on other aspects of the matter.[277] Morse's attorney helpfully summarized aspects of the commissioner's decision in the matter, and described the decision as concluding that the new Morse development "was new, original, useful, and therefore patentable."[278] One key aspect to the determination was the assessment whether the specification describing the patent had been adequate for people skilled in the relevant art to understand and use the invention.[279] The adequacy of the specification was a critical component of an invention's patentability, particularly at the time, because the legal system placed value on patentability and awarded this legal protection due to the benefit it would bring to the public through access to the new technology.[280] In addition to assessing the technology, the excerpts from the commissioner determination also discussed relevant procedure, observing that the evidence before the commissioner was the model of the relevant technology and drawings and specifications and that the law had not provided for testimony to show the insufficiency of the models

275. *See* Bain v. Morse, 2 F. Cas. 394 (C.C.D.C. 1849).

276. *Id.* at 396.

277. *See id.*

278. *Id.* at 398.

279. *See id.* at 397–98; *see also* Arnold v. Bishop, 1 F. Cas. 1165 (C.C.D.C. 1841) (discussing the requirements for the specification).

280. *See generally* Mossoff, *supra* note 134.

of a patent application.[281] The commissioner saw the question of the adequacy of the models for entitlement to a patent as up to his discretion, explaining that "[t]he sufficiency of the models, drawings, and specifications is a question, so far as it affects the issue of a patent, which is reserved alone for the commissioner" and which the commissioner "determines . . . upon the evidence submitted by the party making the application."[282] Morse's attorney then contended that only questions considered by the commissioner could be brought to the D.C. judge during the single-judge appeal procedure.[283]

At least as of this 1849 decision, both parties briefed the case before the single judge and made arguments regarding specific grounds of appeal on which the review was requested.[284] Morse's attorney also described his view of the entirety of the American system of patent law. Morse contended that an inventor's title to an invention was "absolute the moment his patent is sealed and signed by the proper officers" and that U.S. law "knows no such thing as a conditional patent."[285] In contrast, according to Morse, English law permitted a patent to be granted but made it conditional and ultimately at risk of becoming void if a specification were not turned in within four to six months.[286]

The Attorney General had been called in during the case to offer an interpretation of provisions within the 1836 Act allocating priority between American and foreign inventions.[287] The Attorney General's opinion referred to the Act as containing a "clear rule of adjudication, by which the rights of parties are ascertained."[288] He indicated that a contrary interpretation, submitting a U.S. invention

281. *See Bain*, F. Cas. at 398.
282. *See id.*
283. *See id.* (referencing 5 Stat. 353, 354 (section 11) (1839)).
284. *See id.* at 396–98.
285. *Id.* at 399.
286. *See id.*
287. *See id.* at 402–03.
288. *Id.* at 403.

to come behind a foreign invention in priority, was "directly opposed to the intent, the policy, and express words of the act of Congress" and "without any legal foundation."[289]

In his opinion, Judge Cranch described the role of the court's review and the review of the 1836 boards. He first noted that the commissioner's decision could not have been conclusive under the 1836 Act because parties were permitted to object to the decision in certain instances.[290] Judge Cranch also spoke to his jurisdiction and concluded that he had jurisdiction to determine questions of priority of inventions and interference. During the course of issuing his ruling on the telegraph-related claim, Judge Cranch also opined on legal questions such as concluding that an inventor is not obligated to request separate patents on each new patentable matter but instead could ask for a patent for a combination of materials.[291] Although on this point, rather than contending that he was pronouncing new law, Judge Cranch cited a patent law treatise, suggesting that he was simply reaching his decision by applying previously established patent practice principles.[292] Even if the invention was a combination of multiple materials, none of which would be independently patentable, the combination itself might nonetheless be a patentable invention.[293] Judge Cranch later in the opinion also relied on the patent law notion that an abstract principle cannot be patented.[294] He needed to reach his own conclusions of statutory interpretation, however, by opining on which sections of the 1836 Act were most applicable and under which statutory subsections the dispute in the case arose.[295]

289. *See id.*
290. *See id.* at 403–04.
291. *See id.* at 405–07.
292. *See id.* at 407.
293. *See id.*
294. *Id.*
295. *See id.*

The current executive branch test for officer status, at least by its terms, maintains consistency with this standard.[296] And Congress has for more than one hundred years authorized the performance of significant tasks by entities considered to be private rather than governmental. For example, as Professor Aditya Bamzai points out in his analysis of the character of the role and functions of the early national banks, the prevailing view at the time of the creation of the Bank of the United States was that it "was a private entity that performed non-sovereign functions for the benefit of the public."[297] This was so even though it performed currency-making functions, which were not necessarily considered to be inherently sovereign tasks at the time.[298] In the context of analyzing entities such as the first two banks, Professor Bamzai concludes that the national bank provided "good evidence that the delegation of certain functions by the federal government to nominally private—though heavily regulated—entities does not necessarily violate the separation of powers." He then asks the natural follow-on question, however, "whether there are any limits" to the nature of the delegated power.[299] He notes that the Court has indicated that an entity operates as governmental if it exists to further governmental objectives

296. *See, e.g.*, *Officers of the United States*, *supra* note 89, at 98, 103, 106, 122 (determining that federal officers are those who have been "delegated by legal authority a portion of the sovereign powers of the federal government" and thus are in a continuing office; non-officers include those who have "an occasional and transitory appointment", or serve in positions that were "summoned into existence only for *specific temporary purposes*," or who work in a position where the rules of that position were defined by contract or the position involves "a subject matter . . . of a temporary and limited character" (quoting *Contract With Architect of Public Buildings*, 5 Op. Att'y Gen. 754, 754–55 (1867)), and noting that contractors do not hold a government office because even where they "assist the Government in carrying out its sovereign functions, their actions . . . have no legal effect on third parties or the government absent subsequent sanction").

297. Aditya Bamzai, *Tenure of Office and the Treasury*, 87 GEO. WASH. L. REV. 1299, 1346 (2019).

298. *See id.* at 1354–55.

299. *See id.* at 1384–85 (discussing the Supreme Court's conclusion in *Lebron v. National Railroad Passenger Corp.*, 513 U.S. 374 (1995), that just deeming an entity private does not necessarily pass muster under the separation of powers if the entity in fact operates in a governmental capacity).

and the government functionally controls the entities through its appointees.[300] Those questions do not seem to come into play with the hired boards of examiners of 1836, as those experts were hired just for one-time services.

So long as the actors like the 1836 board members were not conducting tasks of the kind that cannot be delegated to completely private actors, then their lack of tenure and even their lack of meaningful government supervision would be irrelevant. Private actors not improperly engaged in tasks inherently involving the exercise of sovereign authority would be outside the constitutional scope of the typical accountability requirements applicable to government officers such as the oath requirement and the Appointments Clause.

As noted above in Part I, determinations related to the patentability of inventions were one of just several categories of early practice in which Congress involved private actors in governmental tasks. In 1790, Congress established a system in which the equivalent of private contractors would be hired to assess the weight and size of imported goods for purposes of determining the customs due on imported items.[301] In addition, Congress provided for the hiring of surgeons to conduct autopsies on the corpses of the deceased. And Congress employed private prosecutors by authorizing relators to bring actions on behalf of the government to enforce certain legal requirements. Evidence suggests that Congress used private actors to perform intermittent services to constrain the size

300. *See id.* at 1385.

301. *See* 1 Stat. 145, 154 (1790); *see also, e.g.*, Auffmordt v. Hedden, 137 U.S. 310, 312 (1890) (discussing the nongovernmental role of general appraisers who could reverse a collector's import duty determination; the appraisers, "wherever practicable," were to be two experienced merchants who would separately appraise the item; any difference of opinion on the value of the item would be resolved by the collector whose determination of true value would be final); *id.* at 326–27 (observing that Appointments Clause constraints do not apply to the selection or hiring of such individuals).

of the federal government and avoid creation of multiple new, unnecessary federal offices.[302]

At least with respect to the customs evaluations and the autopsies, non-governmental actors were being hired for expert services in which they completed measurements or other types of empirical assessments—actions that are not inherently exercises of sovereign authority. Therefore, the delegation of those tasks to private actors would not implicate constitutional concerns. It is possible that the Executive Branch's position that officers exercise delegated sovereign authority to bind third parties or the government in fact explains the distinction between an inherently governmental act and a non-governmental act—not the line between Article II officers versus low-level employee status under the Appointments Clause. The historical standard for qualifying as an "officer" under the Appointments Clause, rather, seems to be any actor employed by the government on a continuing basis to perform any type of statutory duty, regardless of the level of significance or exercise of discretion inherent in that duty.[303]

IV. PUBLIC-PRIVATE ARRANGEMENTS & MODERN PRACTICE

This section briefly explores ways in which the non-governmental determinations of empirical patent questions in the eighteenth and early nineteenth centuries might relate to questions still very alive today regarding the constitutionality, and propriety, of non-governmental actors reaching determinations that assist in, or inform, the performance of governmental functions. Issues related to the incorporation of private actors into governmental tasks arise in the context of, *e.g.*, arbitration panels, self-regulation and self-

302. *See, e.g.*, 2 RECORDS OF THE FEDERAL CONVENTION OF 1787, at 627 (Max Farrand ed., 1911) (Madison's comments during constitutional drafting/ratification suggesting that the federal government should use state officials for even governmental functions like tax collection to alleviate the need to hire a massive force of federal officers; *see also Officers of the U.S.*, *supra* note 89, at 78.

303. *See* Mascott, *Officers*, *supra* note 17, at 454; *see also Officers of the U.S.*, *supra* note 89, at 122.

certification procedures,[304] and recommendations by advisory entities adjudicating government-regulated disputes.[305]

A refocus on the modest role played by outside experts in nineteenth-century patent adjudication through the application of relatively straightforward legal or technical standards to facts might provide a model for more reliance on non-governmental experts in contemporary patent law practice, rather than a system of complete reliance on patent officers within a system that is plagued with few supervisors who can meaningfully oversee work inside the office.[306] Revisiting the contours of executive branch decisionmaking in the early nineteenth century might also shed additional light on the proper dividing line between *judicial* resolution of private patent property rights and *executive* ministerial determination of the satisfaction of requisite requirements to attain eligibility for a patent.[307]

The Supreme Court's blessing of the executive branch revocation of already-issued patents in *Oil States* resolved the Court's view of

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304. *See, e.g.*, Lu Junhong v. Boeing Co., 792 F.3d 805, 808–10 (7th Cir. 2015) (interpreting the federal removal statute for cases involving federal officers—codified at 28 U.S.C. § 1442(a)(1)—not to apply to Boeing, which had contended that it was "acting under the Federal Aviation Administration because the FAA ha[d] granted Boeing authority to use FAA-approved procedures to conduct analysis and testing required for the issuance of type, production, and airworthiness certifications for aircraft under Federal Aviation Regulations" (internal quotation marks omitted)).

305. To take one example, the Affordable Care Act mandates adoption of certain board and commission-issued recommended best medical practices. *See* 42 U.S.C. § 300gg-13(a)(1)–(4). A recent lawsuit challenged the permissibility of this arrangement under the Appointments Clause. *See* Complaint –- Class Action, No. 4:20-cv-00283, Kelley v. Azar (N.D. Tex. Mar. 29, 2020) [hereinafter *ACA Challenge*].

306. *Cf.* Mascott & Duffy, *supra* note 21, at 242–44, 254–61 (discussing the challenges of the shortage of principal officers with supervisory authority in the current patent office).

307. *See generally* Caleb Nelson, *Adjudication in the Political Branches*, 107 COLUM. L. REV. 559 (2007) (analyzing the line between permissible executive adjudication and matters that must be resolved by the Article III judiciary as a matter of first principles); Mascott, *Constitutionally Conforming Agency Adjudication*, *supra* note 111 (discussing the constitutional due process distinctions between adjudicative matters involving traditional private property interests and punitive penalties versus those involving public rights or government-managed resources).

the constitutionality of that executive role.[308] But Congress, as a policy matter, could reexamine whether the 2011 Leahy-Smith America Invents Act correctly marked the boundary line between the branches and whether the potential for greater political executive patent determinations through more robust Appointments Clause constraints counsels for revising that line.

Under current practice, there are numerous means by which private actors support or assist with governmental functions. This Part will close by unpacking and discussing contemporary skepticism about the constitutionality of delegating to private actors any authority that is truly governmental[309] as well as contemporary executive branch positions on the delegation of authority to non-governmental actors. Finally, the section will assess the distinctions between the functions delegated to the 1793 and 1836 experts and the functions performed by APJs in contemporary PTAB inter partes proceedings and other contemporary public-private arrangements.

Public-private arrangements appear in a number of contemporary forms. The existence of these arrangements merits taking a closer look at the constitutional issues of executive supervision and direction—where private actors are reaching final or binding determinations—that might be in play in light of *Arthrex*. To the extent such determinations are occurring within processes involving the exercise of sovereign authority, there may be new constitutional issues in play in light of *Arthrex*. There might need to be consideration of whether the application of the *Arthrex* principles to patent appeals adjudication also suggests that the exclusive vesting of "executive" power in the President means that private actors cannot actually have final say in acts in which sovereign authority inheres.

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308. *See* Oil States Energy Servs., LLC v. Greene's Energy Grp., LLC, 138 S. Ct. 1365 (2018); *see also generally* Mossoff, *supra* note 134; Michael S. Greve, *Exceptional, After All and After* Oil States*: Judicial Review and the Patent System*, 26 B.U. J. SCI. & TECH. L. 1 (2020).

309. *See, e.g.*, Dep't of Transp. v. Ass'n of Am. R.R., 575 U.S. 43, 56–58 (2015) (Alito, J., concurring).

The development of non-binding standards or recommendations, on the other hand, could be permissible.

Several examples with potentially broad reach may merit evaluation. For example, within the Affordable Care Act ("ACA"), Congress authorized boards to assess what types of medical services are critical for children to receive at certain ages. Congress made the decision to require adoption of these expert guidelines for certain determinations authorized by the ACA. The role of these boards and task forces is now subject to ongoing legal challenge in federal Texas court for alleged Appointments Clause and delegation violations. Attorney Jonathan Mitchell, who helped to develop the conception of Texas's "S.B. 8" before the Supreme Court in 2021, is the architect of this current legal challenge against the ACA.[310] Congress had authorized the U.S. Preventive Services Task Force and other entities such as the Advisory Committee on Immunization Practices to identify necessary preventive services, keying certain health insurance coverage requirements to the list of services that these groups deem necessary for categories of covered individuals.[311]

In addition, Congress has at times even authorized private actors to self-regulate and determine for themselves, as administered through self-reporting, whether they are complying with certain federal standards.[312] And although these officials are often not viewed as purely private actors, either Congress or executive actors through regulation have authorized temporary counsels to wield prosecutorial authority outside of the typical presidential appointment and Senate confirmation process for principal executive

310. *See ACA Challenge*, *supra* note 305. The Court considered a pre-enforcement challenge to the Mitchell-designed S.B. 8 in *Whole Woman's Health v. Jackson*, 142 S. Ct. 522 (2021).

311. *See* 42 U.S.C. § 300gg-13(a)(1)–(4).

312. *See, e.g.*, Lu Junhong v. Boeing Co., 792 F.3d 805, 808–10 (7th Cir. 2015) (opinion of Easterbrook, J.) (federal regulatory requirement that Boeing must "assess and certify the airworthiness of its planes" does not make it a federal actor for purposes of the federal removal statute, 28 U.S.C. § 1442(a)(1)).

officers. Special Counsel Mueller was authorized to investigate former President Trump under DOJ regulations establishing the terms for certain special counsel investigations. Most recently, the Second Circuit just beat back an Appointments Clause challenge to special prosecutors selected by district judges, over a strongly worded dissent.[313]

About these types of arrangements, however, Justice Breyer—writing for the Court in 2007—said that although a formal delegation of power from the federal government to a contractor might transform the actor into a federal entity for purposes of the federal removal statute, the mere requirement that the company self-regulate or monitor/certify compliance with federal law is inadequate to do so.[314] According to the Court, "neither Congress nor federal agencies normally delegate legal authority to private entities without saying that they are doing so."[315]

In 2015, however, Justice Alito raised significant constitutional questions in a concurring opinion regarding the accountability mechanisms that must be in place when arbitrators formulate standards that themselves bind other regulated parties.[316] Justice Alito agreed with the Court in an appeal from a D.C. Circuit decision involving governmental power exercised by Amtrak[317] that Amtrak was a federal actor for constitutional purposes because the Government specifies a number of its day-to-day operations and oversees significant aspects of its annual budget. He highlighted the principle that "[l]iberty requires accountability" because the electorate must be able to "readily identify the source of legislation

313. *See* Donziger v. United States, 38 F.4th 290 (2d Cir. 2022); *id.* at 306 (Menashi, J., dissenting); *see also* Petition for a Writ of Certiorari, Donziger v. United States (No. 22-274) (Sept. 20, 2022).

314. *See* Watson v. Philip Morris Cos., 551 U.S. 142, 145 (2007) (opinion of Breyer, J.).

315. *Id.* at 157.

316. *See Ass'n of Am. R.R.*, 575 U.S. at 58–62 (Alito, J., concurring) (raising concern about the delegation to arbitrators of the development of "metrics and minimum standards for measuring the performance and service quality of intercity passenger train operations").

317. Ass'n of Am. R.R. v. Dep't of Transp., 721 F.3d 666 (D.C. Cir. 2013).

or regulation that affects their lives" or Government officials will "wield power without owning up to the consequences."[318] For example, if a governmental operation can be passed off "as an independent private concern," then government might be able "to regulate without saying so."[319] In his view, the requirement that federal officers take an oath to support the Constitution and receive a commission is critical for accountability, not an empty formality, because it marks those who exercise governmental power as "set apart from ordinary citizens" and subject to "special restraints."[320] Therefore, the absence of a requirement that Amtrak board members take a constitutional oath raised grave questions about the propriety of Amtrak exercising rulemaking authority, in Justice Alito's view. He also questioned the propriety of private actors exercising arbitration authority.[321]

Section 207(a) of the Passenger Rail Investment and Improvement Act requires Amtrak and the Federal Railroad Administration (FRA) to jointly establish minimum standards and metrics for measuring the quality of intercity passenger train operations.[322] These standards and metrics have tangible effect because Amtrak and private rail carriers must incorporate them into service and access agreements whenever practicable.[323] Noncompliance can prompt investigations and subsequent enforcement actions.[324]

According to Justice Alito, "[t]he fact that private rail carriers sometimes may be required by federal law to include the metrics and standards in their contracts by itself makes this a regulatory

318. *Ass'n of Am. R.R.*, 575 U.S. at 57 (Alito, J., concurring).

319. *See id.*

320. *Id.* at 57–58.

321. *See id.* at 58–62.

322. Section 207(a), Passenger Rail Investment and Improvement Act of 2008, Pub. L. No. 110-432, 122 Stat. 4907, 4925–27 (codified at 49 U.S.C. § 24101).

323. *Ass'n of Am. R.R.*, 575 U.S. at 58–59 (Alito, J., concurring).

324. Section 213(a), Passenger Rail Investment and Improvement Act of 2008, Pub. L. No. 110-432, 122 Stat. 4907, 4925–27 (codified at 49 U.S.C. § 24308(f)).

scheme."[325] Obedience to the standards would materially reduce liability risk, and that "powerful incentive[] to obey" creates an inherent potential coercive effect. Therefore, by helping develop those standards Amtrak was operating in a governmental capacity, Justice Alito reasoned.[326] Justice Alito maintained concerns about such power being exercised by a private actor, as Amtrak at the time was operating as a private entity without following any of the typical constitutional mechanisms for accountability in the exercise of sovereign power such as officials having to take an oath to act consistently with the Constitution.[327]

Justice Alito concluded that Amtrak was operating in a governmental fashion even though the entity did not have final supervisory authority over its determinations. The Amtrak board members were to issue final regulatory standards and metrics decisions in conjunction with the FRA, similar to the PTAB members' need to coordinate at least on some level with the USPTO Director.

Section 207(d) then provided authorization for more private actor decisions—in addition to empowering Amtrak to participate in establishing potentially binding regulatory standards, the Act permitted parties to request appointment of an arbitrator if the FRA and Amtrak failed to reach agreement on the regulatory standards.[328] The Act described the potential arbitration as binding.[329]

The private actor in this case challenged the potential role of the arbitrator as potentially an unconstitutional delegation of governmental power to a private actor.[330] The government in the case did not dispute that the arbitrator would engage in binding power; rather the government urged the Court to consider the arbitrator a

325. *Ass'n of Am. R.R.*, 575 U.S. at 59 (Alito, J., concurring).

326. *See id.* at 57–60; *see also id.* at 46 (majority opinion) (finding that Amtrak is governmental for constitutional purposes despite any statutory pronouncements to the contrary).

327. *See id.* at 58–59 (Alito, J., concurring).

328. *Id.* at 59–60.

329. *See id.* at 60.

330. *See id.*

public actor. The role of the arbitrator was to force compromise between the FRA and Amtrak.[331] So the statute thereby at a minimum stacked the deck for compromise. Justice Alito concluded in no uncertain terms that if such authority were to be held by a private actor, then it would be an unconstitutional exercise of will.[332]

Twenty years earlier, in 1995, the Office of Legal Counsel ("OLC") within the Justice Department had evaluated the appropriate role of private actors within governmental operations through the mechanism of binding arbitration.[333] This opinions is the most recent significant executive branch analysis of the proper role of arbitration under constitutional constraints like the Appointments Clause and provides a sort of bookend to the use of private actors for services that the First Federal Congress employed.

The 1995 OLC opinion reexamined past executive branch positions and concluded that neither the Appointments Clause nor any other constitutional doctrine or provision generally prohibits the federal government from entering into binding arbitration.[334] The opinion found the Appointments Clause entirely irrelevant to the question of the proper scope of authority delegable to private actors. Without opining on a precise standard, the opinion noted, however, that the Constitution nonetheless imposes "substantial limits on the authority of the federal government to enter into binding arbitration in specific cases," possibly through delegation constraints.[335] Still, the opinion suggested that quite a bit of responsibility had been, and could be, lawfully delegated to private actors, including the authority to resolve disputes through arbitration and a degree of regulatory or adjudicative authority.

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331. *See id.*

332. *See id.* at 60–61.

333. *Binding Arbitration*, *supra* note 49 (opinion by former Assistant Attorney General Walter Dellinger).

334. *Id.* at *1.

335. *Id.* at *19.

These conclusions shifted position from the President George H.W. Bush-era view that the Appointments Clause bars the United States from entering binding arbitration. The shift was first signaled in a 1994 OLC advice memorandum and then formalized and further explained in the 1995 opinion.[336] In an early 1990s Department of Justice litigation manual the Department had indicated that arbitrators needed to be selected under the Appointments Clause to enter into binding arbitration on behalf of the government.[337] The constitutional provisions other than the Appointments Clause that OLC had evaluated for constitutional constraints on arbitration included "the non-delegation doctrine and general separation of powers principles."[338] The memorandum noted, however, that the phrase "binding arbitration" is susceptible of a range of meanings and the constitutional analysis for whether it is appropriate can thus differ from case to case.[339]

This 1995 opinion makes clear that private, or temporarily serving, actors are still widely used by the government today. For example, there are citizen suit provisions within the Clean Water Act, there have been governmental mechanisms providing for independent or special counsels to exercise prosecutorial authority without holding a permanent position, private industry groups have at times been authorized to formulate particular standards, Indian tribes have some authority to enforce laws, and private industry groups have at times been allocated adjudicative authority by Congress.[340] Assessing the proper scope of their role will be critical as the Supreme Court continues to try to figure out the degree to which executive power vested in the President must be more fully and directly supervised by him and his direct reports as a constitutional matter.

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336. *See id.* at *1 & n.2.

337. *See* U.S. DEP'T OF JUST., GUIDANCE ON THE USE OF ALTERNATIVE DISPUTE RESOLUTION FOR LITIGATION IN THE FEDERAL COURTS 4 (1992).

338. *Binding Arbitration*, *supra* note 49, at *3 & n.7.

339. *See id.* at **17–18.

340. *See id.* at *3, *8.

CONCLUSION

The patent boards of examiners authorized by Congress in 1836 were discrete panels of non-governmental actors selected to conduct expert examination of patent claims. The board members therefore were neither inferior or non-inferior officers or even government "employees" as they held no ongoing position and were to be hired case by case. Early practice focuses primarily on using non-governmental actors as contractors to perform outside empirical services, such as weighing imported goods, evaluating the technical similarity of patent claims, or completing expert medical exams. Discussions of the definition of governmental officers as opposed to outside experts leading up through the early nineteenth century support the use of outside actors to conduct ministerial tasks, not necessarily to engage in the exercise of delegated authority to bind third parties or the government regardless of the narrow scope of the authority.